

ESB 5513 - H COMM AMD
By Committee on Transportation

ADOPTED 04/12/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that it is in the
4 interest of the state to restructure the roles and responsibilities of
5 the state's transportation agencies in order to improve efficiency and
6 accountability. The legislature also finds that continued citizen
7 oversight of performance of the state's transportation system remains
8 an important priority. To achieve these purposes, the legislature
9 intends to provide direct accountability of the department of
10 transportation to the governor, in his or her role as chief executive
11 officer of state government, by making the secretary of transportation
12 a cabinet-level official. Additionally, it is essential to clearly
13 delineate between the separate and distinct roles and responsibilities
14 of the executive and legislative branches of government. The role of
15 executive is to oversee the implementation of transportation programs,
16 while the legislature reserves to itself the role of policy making.
17 Finally, consolidating public outreach and auditing of the state's
18 transportation agencies under a single citizen-governed entity, the
19 transportation accountability commission, will provide the public with
20 information about the performance of the transportation system and an
21 avenue for direct participation in its oversight.

22 **Departmental Governance**

23 **Sec. 2.** RCW 43.17.020 and 1995 1st sp.s. c 2 s 2 are each amended
24 to read as follows:

25 There shall be a chief executive officer of each department to be
26 known as: (1) The secretary of social and health services, (2) the
27 director of ecology, (3) the director of labor and industries, (4) the
28 director of agriculture, (5) the director of fish and wildlife, (6) the

1 secretary of transportation, (7) the director of licensing, (8) the
2 director of general administration, (9) the director of community,
3 trade, and economic development, (10) the director of veterans affairs,
4 (11) the director of revenue, (12) the director of retirement systems,
5 (13) the secretary of corrections, (~~and~~) (14) the secretary of
6 health, and (15) the director of financial institutions.

7 Such officers, except the (~~secretary of transportation and the~~)
8 director of fish and wildlife, shall be appointed by the governor, with
9 the consent of the senate, and hold office at the pleasure of the
10 governor. (~~The secretary of transportation shall be appointed by the~~
11 ~~transportation commission as prescribed by RCW 47.01.041.~~) The
12 director of fish and wildlife shall be appointed by the fish and
13 wildlife commission as prescribed by RCW 77.04.055.

14 **Sec. 3.** RCW 47.01.041 and 1983 1st ex.s. c 53 s 28 are each
15 amended to read as follows:

16 The executive head of the department of transportation shall be the
17 secretary of transportation, who shall be appointed by the
18 (~~transportation commission~~) governor with the advice and consent of
19 the senate, and shall be paid a salary to be fixed by the governor in
20 accordance with the provisions of RCW 43.03.040. The secretary shall
21 be an ex officio member of the transportation commission without a
22 vote. (~~The secretary shall be the chief executive officer of the~~
23 ~~commission and be responsible to it, and shall be guided by policies~~
24 ~~established by it.~~) The secretary shall serve (~~until removed by the~~
25 ~~commission, but only for incapacity, incompetence, neglect of duty,~~
26 ~~malfeasance in office, or failure to carry out the commission's~~
27 ~~policies. Before a motion for dismissal shall be acted on by the~~
28 ~~commission, the secretary shall be granted a hearing on formal written~~
29 ~~charges before the full commission. An action by the commission to~~
30 ~~remove the secretary shall be final~~) at the pleasure of the governor.

31 **Sec. 4.** RCW 47.01.051 and 1977 ex.s. c 151 s 5 are each amended to
32 read as follows:

33 (1) There is hereby created a transportation commission, which
34 shall consist of seven members appointed by the governor, with the
35 consent of the senate. The present five members of the highway
36 commission shall serve as five initial members of the transportation

1 commission until their terms of office as highway commission members
2 would have expired. The additional two members provided herein for the
3 transportation commission shall be appointed for initial terms to
4 expire on June 30, 1982, and June 30, 1983. Thereafter all terms shall
5 be for six years. No elective state official or state officer or state
6 employee shall be a member of the commission, and not more than four
7 members of the commission shall at the time of appointment or
8 thereafter during their respective terms of office be members of the
9 same major political party. At the time of appointment or thereafter
10 during their respective terms of office, four members of the commission
11 shall reside in the western part of the state and three members shall
12 reside in the eastern part of the state as divided north and south by
13 the summit of the Cascade mountains. No more than two members of the
14 commission shall reside in the same county. Commissioners shall not be
15 removed from office by the governor before the expiration of their
16 terms unless for a disqualifying change of residence or for cause based
17 upon a determination of incapacity, incompetence, neglect of duty, or
18 malfeasance in office by the superior court of the state of Washington
19 in and for Thurston county upon petition and show cause proceedings
20 duly brought therefor in said court and directed to the commissioner in
21 question. No member shall be appointed for more than two consecutive
22 terms.

23 (2) This section expires July 1, 2006.

24 **Sec. 5.** RCW 47.01.061 and 1987 c 364 s 2 are each amended to read
25 as follows:

26 (1) The commission shall meet at such times as it deems advisable
27 but at least once every month. It may adopt its own rules and
28 regulations and may establish its own procedure. It shall act
29 collectively in harmony with recorded resolutions or motions adopted by
30 majority vote of at least four members. The commission may appoint an
31 administrative secretary, and shall elect one of its members chairman
32 for a term of one year. The chairman shall be able to vote on all
33 matters before the commission. The commission may from time to time
34 retain planners, consultants, and other technical personnel to advise
35 it in the performance of its duties.

36 (2) The commission shall submit to each regular session of the

1 legislature held in an odd-numbered year its own budget proposal
2 necessary for the commission's operations separate from that proposed
3 for the department.

4 (3) Each member of the commission shall be compensated in
5 accordance with RCW 43.03.250 and shall be reimbursed for actual
6 necessary traveling and other expenses in going to, attending, and
7 returning from meetings of the commission, and actual and necessary
8 traveling and other expenses incurred in the discharge of such duties
9 as may be requested by a majority vote of the commission or by the
10 secretary of transportation, but in no event shall a commissioner be
11 compensated in any year for more than one hundred twenty days, except
12 the chairman of the commission who may be paid compensation for not
13 more than one hundred fifty days. Service on the commission shall not
14 be considered as service credit for the purposes of any public
15 retirement system.

16 (4) Each member of the commission shall disclose any actual or
17 potential conflict of interest, if applicable under the circumstance,
18 regarding any commission business.

19 **Sec. 6.** RCW 47.01.071 and 1981 c 59 s 2 are each amended to read
20 as follows:

21 The transportation commission shall have the following functions,
22 powers, and duties:

23 (1) To propose policies to be adopted by the governor and the
24 legislature designed to assure the development and maintenance of a
25 comprehensive and balanced statewide transportation system which will
26 meet the needs of the people of this state for safe and efficient
27 transportation services. Wherever appropriate the policies shall
28 provide for the use of integrated, intermodal transportation systems to
29 implement the social, economic, and environmental policies, goals, and
30 objectives of the people of the state, and especially to conserve
31 nonrenewable natural resources including land and energy. To this end
32 the commission shall:

33 (a) Develop transportation policies which are based on the
34 policies, goals, and objectives expressed and inherent in existing
35 state laws;

36 (b) Inventory the adopted policies, goals, and objectives of the
37 local and area-wide governmental bodies of the state and define the

1 role of the state, regional, and local governments in determining
2 transportation policies, in transportation planning, and in
3 implementing the state transportation plan;

4 (c) Propose a transportation policy for the state(~~(, and after~~
5 ~~notice and public hearings, submit the proposal to the legislative~~
6 ~~transportation committee and the senate and house transportation~~
7 ~~committees by January 1, 1978, for consideration in the next~~
8 ~~legislative session))~~);

9 (d) Establish a procedure for review and revision of the state
10 transportation policy and for submission of proposed changes to the
11 governor and the legislature;

12 (e) To integrate the statewide transportation plan with the needs
13 of the elderly and handicapped, and to coordinate federal and state
14 programs directed at assisting local governments to answer such needs;

15 (2) (~~To establish the policy of the department to be followed by~~
16 ~~the secretary on each of the following items:~~

17 (a)) To provide for the effective coordination of state
18 transportation planning with national transportation policy, state and
19 local land use policies, and local and regional transportation plans
20 and programs;

21 (~~(b) To provide for public involvement in transportation designed~~
22 ~~to elicit the public's views both with respect to adequate~~
23 ~~transportation services and appropriate means of minimizing adverse~~
24 ~~social, economic, environmental, and energy impact of transportation~~
25 ~~programs:~~

26 (c) ~~To provide for the administration of grants in aid and other~~
27 ~~financial assistance to counties and municipal corporations for~~
28 ~~transportation purposes:~~

29 (d) ~~To provide for the management, sale, and lease of property or~~
30 ~~property rights owned by the department which are not required for~~
31 ~~transportation purposes:~~)

32 (3) To (~~direct the secretary to~~) prepare (~~and submit to the~~
33 ~~commission~~) a comprehensive and balanced statewide transportation plan
34 which shall be based on the transportation policy adopted by the
35 legislature and applicable state and federal laws. (~~After public~~
36 ~~notice and hearings, the commission shall adopt the plan and submit it~~
37 ~~to the legislative transportation committee and to the house and senate~~
38 ~~standing committees on transportation before January 1, 1980, for~~

1 ~~consideration in the 1980 regular legislative session.))~~ The plan
2 shall be reviewed and revised, and submitted to the governor and the
3 house of representatives and senate standing committees on
4 transportation, prior to each regular session of the legislature during
5 an even-numbered year thereafter. ~~((A preliminary plan shall be~~
6 ~~submitted to such committees by January 1, 1979.))~~

7 The plan shall take into account federal law and regulations
8 relating to the planning, construction, and operation of transportation
9 facilities;

10 (4) To propose to the governor and the legislature prior to the
11 convening of each regular session held in an odd-numbered year a
12 recommended budget for the operations of the commission as required by
13 RCW 47.01.061;

14 ~~(5) ((To approve and propose to the governor and to the legislature~~
15 ~~prior to the convening of each regular session during an odd-numbered~~
16 ~~year a recommended budget for the operation of the department and for~~
17 ~~carrying out the program of the department for the ensuing biennium.~~
18 ~~The proposed budget shall separately state the appropriations to be~~
19 ~~made from the motor vehicle fund for highway purposes in accordance~~
20 ~~with constitutional limitations and appropriations and expenditures to~~
21 ~~be made from the general fund, or accounts thereof, and other available~~
22 ~~sources for other operations and programs of the department;~~

23 ~~(6) To review and authorize all departmental requests for~~
24 ~~legislation;~~

25 ~~(7) To approve the issuance and sale of all bonds authorized by the~~
26 ~~legislature for capital construction of state highways, toll~~
27 ~~facilities, Columbia Basin county roads (for which reimbursement to the~~
28 ~~motor vehicle fund has been provided), urban arterial projects, and~~
29 ~~aviation facilities;~~

30 ~~(8))~~ To adopt such rules, regulations, and policy directives as
31 may be necessary to carry out reasonably and properly those functions
32 expressly vested in the commission by statute;

33 ~~((9) To delegate any of its powers to the secretary of~~
34 ~~transportation whenever it deems it desirable for the efficient~~
35 ~~administration of the department and consistent with the purposes of~~
36 ~~this title;~~

37 ~~(10))~~ (6) To exercise such other specific powers and duties as may

1 be vested in the transportation commission by this or any other
2 provision of law.

3 **Sec. 7.** RCW 47.01.101 and 1987 c 505 s 48 and 1987 c 179 s 1 are
4 each reenacted and amended to read as follows:

5 The secretary shall have the authority and it shall be his or her
6 duty, subject to policy guidance from the (~~commission~~) governor and
7 the legislature:

8 (1) To serve as chief executive officer of the department with full
9 administrative authority to direct all its activities;

10 (2) To organize the department as he or she may deem necessary to
11 carry out the work and responsibilities of the department effectively;

12 (3) To designate and establish such transportation district or
13 branch offices as may be necessary or convenient, and to appoint
14 assistants and delegate any powers, duties, and functions to them or
15 any officer or employee of the department as deemed necessary to
16 administer the department efficiently;

17 (4) To direct and coordinate the programs of the various divisions
18 of the department to assure that they achieve the greatest possible
19 mutual benefit, produce a balanced overall effort, and eliminate
20 unnecessary duplication of activity;

21 (5) To adopt all department rules that are subject to the adoption
22 procedures contained in the state administrative procedure act, except
23 rules subject to adoption by the commission pursuant to statute;

24 (6) To maintain and safeguard the official records of the
25 department, including the commission's recorded resolutions and orders;

26 (7) To provide, under contract or interagency agreement, full staff
27 support to the commission to assist it in carrying out its functions,
28 powers, and duties (~~and to execute the policy established by the~~
29 ~~commission pursuant to its legislative authority~~));

30 (8) To execute and implement the biennial operating budget for the
31 operation of the department in accordance with chapter 43.88 RCW and
32 with legislative appropriation (~~and, in such manner as prescribed~~
33 ~~therein, to make and report to the commission and the chairs of the~~
34 ~~transportation committees of the senate and house of representatives,~~
35 ~~including one copy to the staff of each of the committees, deviations~~
36 ~~from the planned biennial category A and H highway construction~~

1 ~~programs necessary to adjust to unexpected delays or other~~
2 ~~unanticipated circumstances.))~~;

3 (9) To approve the issuance and sale of all bonds authorized by the
4 legislature for capital construction of state highways, toll
5 facilities, Columbia Basin county roads (for which reimbursement to the
6 motor vehicle fund has been provided), urban arterial projects, and
7 aviation facilities;

8 (10) To advise the governor and the legislature with respect to
9 matters under the jurisdiction of the department; and

10 (11) To exercise all other powers and perform all other duties as
11 are now or hereafter provided by law.

12 **Sec. 8.** RCW 47.05.021 and 2002 c 56 s 301 are each amended to read
13 as follows:

14 (1) The ~~((transportation commission is hereby directed to))~~
15 department shall conduct periodic analyses of the entire state highway
16 system, report ~~((thereon))~~ to the commission and the chairs of the
17 transportation committees of the senate and house of representatives,
18 ~~((including one copy to the staff of each of the committees, biennially~~
19 ~~and based thereon,))~~ any subsequent recommendations to subdivide,
20 classify, and subclassify ~~((according to their function and~~
21 ~~importance))~~ all designated state highways ~~((and those added from time~~
22 ~~to time and periodically review and revise the classifications))~~ into
23 the following three functional classes:

24 (a) The "principal arterial system" shall consist of a connected
25 network of rural arterial routes with appropriate extensions into and
26 through urban areas, including all routes designated as part of the
27 interstate system, which serve corridor movements having travel
28 characteristics indicative of substantial statewide and interstate
29 travel;

30 (b) The "minor arterial system" shall, in conjunction with the
31 principal arterial system, form a rural network of arterial routes
32 linking cities and other activity centers which generate long distance
33 travel, and, with appropriate extensions into and through urban areas,
34 form an integrated network providing interstate and interregional
35 service; and

36 (c) The "collector system" shall consist of routes which primarily
37 serve the more important intercounty, intracounty, and intraurban

1 travel corridors, collect traffic from the system of local access roads
2 and convey it to the arterial system, and on which, regardless of
3 traffic volume, the predominant travel distances are shorter than on
4 arterial routes.

5 (2) (~~In making the functional classification~~) The transportation
6 commission shall adopt (~~and~~) a functional classification of highways.
7 The commission shall consider the recommendations of the department and
8 testimony from the public and local municipalities. The commission
9 shall give consideration to criteria consistent with this section and
10 federal regulations relating to the functional classification of
11 highways, including but not limited to the following:

12 (a) Urban population centers within and without the state
13 stratified and ranked according to size;

14 (b) Important traffic generating economic activities, including but
15 not limited to recreation, agriculture, government, business, and
16 industry;

17 (c) Feasibility of the route, including availability of alternate
18 routes within and without the state;

19 (d) Directness of travel and distance between points of economic
20 importance;

21 (e) Length of trips;

22 (f) Character and volume of traffic;

23 (g) Preferential consideration for multiple service which shall
24 include public transportation;

25 (h) Reasonable spacing depending upon population density; and

26 (i) System continuity.

27 (3) The transportation commission or the legislature shall
28 designate state highways of statewide significance under RCW 47.06.140.
29 If the commission designates a state highway of statewide significance,
30 it shall submit a list of such facilities for adoption by the
31 legislature. This statewide system shall include at a minimum
32 interstate highways and other statewide principal arterials that are
33 needed to connect major communities across the state and support the
34 state's economy.

35 (4) The transportation commission shall designate a freight and
36 goods transportation system. This statewide system shall include state
37 highways, county roads, and city streets. The commission, in
38 cooperation with cities and counties, shall review and make

1 recommendations to the legislature regarding policies governing weight
2 restrictions and road closures which affect the transportation of
3 freight and goods.

4 **Sec. 9.** RCW 47.05.030 and 2002 c 5 s 402 are each amended to read
5 as follows:

6 The transportation commission shall adopt a comprehensive (~~six-~~
7 ~~year~~) ten-year investment program specifying program objectives and
8 performance measures for the preservation and improvement programs
9 defined in this section. The adopted ten-year investment program must
10 be forwarded as a recommendation to the governor and legislature for
11 final adoption. In the specification of investment program objectives
12 and performance measures, the transportation commission, in
13 consultation with the Washington state department of transportation,
14 shall define and adopt standards for effective programming and
15 prioritization practices including a needs analysis process. The
16 analysis process must ensure the identification of problems and
17 deficiencies, the evaluation of alternative solutions and trade-offs,
18 and estimations of the costs and benefits of prospective projects. The
19 investment program must be revised (~~biennially, effective on July 1st~~
20 ~~of odd numbered years~~) based on directions by the office of financial
21 management. The investment program must be based upon the needs
22 identified in the state-owned highway component of the statewide
23 transportation plan as defined in RCW 47.01.071(3).

24 (1) The preservation program consists of those investments
25 necessary to preserve the existing state highway system and to restore
26 existing safety features, giving consideration to lowest life cycle
27 costing. The preservation program must require use of the most cost-
28 effective pavement surfaces, considering:

- 29 (a) Life-cycle cost analysis;
- 30 (b) Traffic volume;
- 31 (c) Subgrade soil conditions;
- 32 (d) Environmental and weather conditions;
- 33 (e) Materials available; and
- 34 (f) Construction factors.

35 The comprehensive (~~six-year~~) ten-year investment program for
36 preservation must identify projects for two years and an investment
37 plan for the remaining (~~four~~) eight years.

1 (2) The improvement program consists of investments needed to
2 address identified deficiencies on the state highway system to increase
3 mobility, address congestion, and improve safety, support for the
4 economy, and protection of the environment. The ~~((six-year))~~ ten-year
5 investment program for improvements must identify projects for two
6 years and major deficiencies proposed to be addressed in the ~~((six-~~
7 ~~year))~~ ten-year period giving consideration to relative benefits and
8 life cycle costing. The transportation commission shall give higher
9 priority for correcting identified deficiencies on those facilities
10 classified as facilities of statewide significance as defined in RCW
11 47.06.140. Project prioritization must be based primarily upon cost-
12 benefit analysis, where appropriate.

13 The transportation commission shall approve and present the
14 comprehensive ~~((six-year))~~ ten-year investment program to the governor
15 and the legislature ~~((in support of the biennial budget request under~~
16 ~~RCW 44.40.070 and 44.40.080))~~ as directed by the office of financial
17 management.

18 **Sec. 10.** RCW 47.05.035 and 2002 c 5 s 403 are each amended to read
19 as follows:

20 (1) The department ~~((and the commission))~~ shall use the
21 transportation demand modeling tools developed under subsection (2) of
22 this section to evaluate investments based on the best mode or
23 improvement, or mix of modes and improvements, to meet current and
24 future long-term demand within a corridor or system for the lowest
25 cost. The end result of these demand modeling tools is to provide a
26 cost-benefit analysis by which the department ~~((and the commission))~~
27 can determine the relative mobility improvement and congestion relief
28 each mode or improvement under consideration will provide and the
29 relative investment each mode or improvement under consideration will
30 need to achieve that relief.

31 (2) The department will participate in the refinement, enhancement,
32 and application of existing transportation demand modeling tools to be
33 used to evaluate investments. This participation and use of
34 transportation demand modeling tools will be phased in.

35 (3) In developing program objectives and performance measures, the
36 ~~((transportation commission))~~ department shall evaluate investment
37 trade-offs between the preservation and improvement programs. In

1 making these investment trade-offs, the ((~~commission~~)) department shall
2 evaluate, using cost-benefit techniques, roadway and bridge maintenance
3 activities as compared to roadway and bridge preservation program
4 activities and adjust those programs accordingly.

5 (4) The ((~~commission~~)) department shall allocate the estimated
6 revenue between preservation and improvement programs giving primary
7 consideration to the following factors:

8 (a) The relative needs in each of the programs and the system
9 performance levels that can be achieved by meeting these needs;

10 (b) The need to provide adequate funding for preservation to
11 protect the state's investment in its existing highway system;

12 (c) The continuity of future transportation development with those
13 improvements previously programmed; and

14 (d) The availability of dedicated funds for a specific type of
15 work.

16 (5) The commission shall review the results of the department's
17 findings and shall consider those findings in the development of the
18 ten-year program.

19 **Sec. 11.** RCW 47.05.051 and 2002 c 189 s 3 are each amended to read
20 as follows:

21 (1) The comprehensive ((~~six-year~~)) ten-year investment program
22 shall be based upon the needs identified in the state-owned highway
23 component of the statewide multimodal transportation plan as defined in
24 RCW 47.01.071(3) and priority selection systems that incorporate the
25 following criteria:

26 (a) Priority programming for the preservation program shall take
27 into account the following, not necessarily in order of importance:

28 (i) Extending the service life of the existing highway system,
29 including using the most cost-effective pavement surfaces, considering:

30 (A) Life-cycle cost analysis;

31 (B) Traffic volume;

32 (C) Subgrade soil conditions;

33 (D) Environmental and weather conditions;

34 (E) Materials available; and

35 (F) Construction factors;

36 (ii) Ensuring the structural ability to carry loads imposed upon
37 highways and bridges; and

1 (iii) Minimizing life cycle costs. The transportation commission
2 in carrying out the provisions of this section may delegate to the
3 department of transportation the authority to select preservation
4 projects to be included in the (~~six-year~~) ten-year program.

5 (b) Priority programming for the improvement program must be based
6 primarily upon the following, not necessarily in order of importance:

7 (i) Traffic congestion, delay, and accidents;

8 (ii) Location within a heavily traveled transportation corridor;

9 (iii) Except for projects in cities having a population of less
10 than five thousand persons, synchronization with other potential
11 transportation projects, including transit and multimodal projects,
12 within the heavily traveled corridor; and

13 (iv) Use of benefit/cost analysis wherever feasible to determine
14 the value of the proposed project.

15 (c) Priority programming for the improvement program may also take
16 into account:

17 (i) Support for the state's economy, including job creation and job
18 preservation;

19 (ii) The cost-effective movement of people and goods;

20 (iii) Accident and accident risk reduction;

21 (iv) Protection of the state's natural environment;

22 (v) Continuity and systematic development of the highway
23 transportation network;

24 (vi) Consistency with local comprehensive plans developed under
25 chapter 36.70A RCW including the following if they have been included
26 in the comprehensive plan:

27 (A) Support for development in and revitalization of existing
28 downtowns;

29 (B) Extent that development implements local comprehensive plans
30 for rural and urban residential and nonresidential densities;

31 (C) Extent of compact, transit-oriented development for rural and
32 urban residential and nonresidential densities;

33 (D) Opportunities for multimodal transportation; and

34 (E) Extent to which the project accommodates planned growth and
35 economic development;

36 (vii) Consistency with regional transportation plans developed
37 under chapter 47.80 RCW;

38 (viii) Public views concerning proposed improvements;

- 1 (ix) The conservation of energy resources;
2 (x) Feasibility of financing the full proposed improvement;
3 (xi) Commitments established in previous legislative sessions;
4 (xii) Relative costs and benefits of candidate programs.

5 (d) Major projects addressing capacity deficiencies which
6 prioritize allowing for preliminary engineering shall be reprioritized
7 during the succeeding biennium, based upon updated project data.
8 Reprioritized projects may be delayed or canceled by the transportation
9 commission if higher priority projects are awaiting funding.

10 (e) Major project approvals which significantly increase a
11 project's scope or cost from original prioritization estimates shall
12 include a review of the project's estimated revised priority rank and
13 the level of funding provided. Projects may be delayed or canceled by
14 the transportation commission if higher priority projects are awaiting
15 funding.

16 (2) After final adoption of the ten-year investment program by the
17 legislature, the commission may depart from the priority programming
18 established under subsection (1) of this section: (a) To the extent
19 that otherwise funds cannot be utilized feasibly within the program;
20 (b) as may be required by a court judgment, legally binding agreement,
21 or state and federal laws and regulations; (c) as may be required to
22 coordinate with federal, local, or other state agency construction
23 projects; (d) to take advantage of some substantial financial benefit
24 that may be available; (e) for continuity of route development; or (f)
25 because of changed financial or physical conditions of an unforeseen or
26 emergent nature. The commission or secretary of transportation shall
27 maintain in its files information sufficient to show the extent to
28 which the commission has departed from the established priority.

29 (3) The commission shall identify those projects that yield freight
30 mobility benefits or that alleviate the impacts of freight mobility
31 upon affected communities.

32 **Joint Transportation Committee**

33 NEW SECTION. **Sec. 12.** The joint transportation committee is
34 created. The executive committee of the joint committee consists of
35 the chairs and ranking members of the house and senate transportation
36 committees. The chairs of the house and senate transportation

1 committees shall serve as cochairs of the joint committee. All members
2 of the house and senate standing committees on transportation are
3 eligible for membership of the joint committee and shall serve when
4 appointed by the executive committee.

5 The joint transportation committee shall review and research
6 transportation programs and issues. All four members of the executive
7 committee shall approve the annual work plan. Membership of the
8 committee may vary depending on the subject matter of oversight and
9 research projects. The committee may also make recommendations for
10 functional or performance audits to the transportation accountability
11 commission.

12 Staff support of the joint transportation committee will be
13 provided by the staffs of the house and senate transportation
14 committees.

15 NEW SECTION. **Sec. 13.** The members of the joint transportation
16 committee and the house and senate transportation committees will
17 receive allowances while attending meetings of the committees or
18 subcommittees and while engaged in other authorized business of the
19 committees as provided in RCW 44.04.120. Subject to RCW 44.04.260, all
20 expenses incurred by the committee, and the house and senate
21 transportation committees must be paid upon voucher forms as provided
22 by the office of financial management and signed by the cochairs of the
23 joint committee, or their authorized designees, and the authority of
24 the chair or vice chair to sign vouchers continues until their
25 successors are selected. Vouchers may be drawn upon funds appropriated
26 for the expenses of the committee.

27 NEW SECTION. **Sec. 14.** The joint transportation committee shall
28 conduct a review of state level governance of transportation, with a
29 focus on the appropriate roles of the separate branches of government.
30 The committee shall review the statutory duties, roles, and functions
31 of the transportation commission and the department. In that review
32 the committee shall determine which responsibilities may be transferred
33 to the executive and which may be transferred to the legislature. By
34 December 15, 2005, the joint transportation committee shall make its
35 recommendations to the house and senate transportation committees. The
36 joint transportation committee shall consult with affected agencies and

1 other stakeholders in conducting its analysis. The committee may
2 consult with and retain private professional and technical experts as
3 necessary to ensure an independent review and analysis.

4 **Transfers**

5 NEW SECTION. **Sec. 15.** (1)(a) All reports, documents, surveys,
6 books, records, files, papers, or written material relating to the
7 conduct of performance reviews and audits in the possession of the
8 legislative transportation committee must be delivered to the custody
9 of the transportation accountability commission. Any remaining
10 documents, books, records, files, papers, and written materials must be
11 delivered to the custody of the joint transportation committee. All
12 funds, credits, or other assets held by the legislative transportation
13 committee for the purposes of staffing the transportation performance
14 audit board are assigned to the transportation accountability
15 commission. Any remaining funds, credits, or other assets held by the
16 legislative transportation committee are assigned to the joint
17 transportation committee.

18 (b) If any question arises as to the transfer of any funds, books,
19 documents, records, papers, files, equipment, or other tangible
20 property used or held in the exercise of the powers and the performance
21 of the duties and functions transferred, the director of financial
22 management shall make a determination as to the proper allocation and
23 certify the same to the state agencies concerned.

24 (2) All employees of the legislative transportation committee are
25 transferred to the jurisdiction of the transportation accountability
26 commission.

27 (3) All existing contracts and obligations remain in full force and
28 must be performed by the transportation accountability commission.

29 **Transportation Accountability Commission**

30 **Sec. 16.** RCW 44.75.010 and 2003 c 362 s 1 are each amended to read
31 as follows:

32 It is essential that the legislature improve the accountability and
33 efficiency of transportation-related agencies and measure
34 transportation system performance against benchmarks established in

1 chapter 5, Laws of 2002. Taxpayers must know that their tax dollars
2 are being well spent to deliver critically needed transportation
3 projects and services. To accomplish this, the transportation
4 (~~performance audit board~~) accountability commission is created and a
5 system of transportation functional and performance audits is
6 established to provide oversight and accountability of transportation-
7 related agencies. Furthermore, the transportation accountability
8 commission will provide a public forum for the citizens of the state to
9 contribute to the formation of state transportation policy.

10 **Sec. 17.** RCW 44.75.020 and 2003 c 362 s 2 are each amended to read
11 as follows:

12 The definitions in this section apply throughout this chapter.

13 (1) "Economy and efficiency audit" has the meaning contained in
14 chapter 44.28 RCW.

15 (2) "Joint legislative audit and review committee" means the agency
16 created in chapter 44.28 RCW, or its statutory successor.

17 (3) "Legislative auditor" has the meaning contained in chapter
18 44.28 RCW.

19 (~~(4) ("Legislative transportation committee" means the agency~~
20 ~~created in chapter 44.40 RCW, or its statutory successor.~~

21 ~~(5))~~ (5) "Performance audit" has the meaning contained in chapter
22 44.28 RCW.

23 ~~((6))~~ (6) "Performance review" means an outside evaluation of how
24 a state agency uses its performance measures to assess the outcomes of
25 its legislatively authorized activities.

26 ~~((7))~~ (7) "Program audit" has the meaning contained in chapter
27 44.28 RCW.

28 ~~((8) "Transportation performance audit board" or "board" means the~~
29 ~~board created in RCW 44.75.030.~~

30 ~~(9))~~ (9) "Transportation accountability commission" or
31 "commission" means the commission created in RCW 44.75.030 (as
32 recodified by this act).

33 (8) "Transportation-related agencies" or "agency" means any state
34 or local agency, board, special purpose district, or commission that
35 receives or generates funding primarily for transportation-related
36 purposes. At a minimum, the department of transportation, the
37 Washington state patrol, the department of licensing, the

1 transportation improvement board or its successor entity, the county
2 road administration board or its successor entity, and the traffic
3 safety commission are considered transportation-related agencies.

4 **Sec. 18.** RCW 44.75.030 and 2003 c 362 s 3 are each amended to read
5 as follows:

6 (1) The transportation (~~((performance audit board))~~) accountability
7 commission is created.

8 (2) The (~~((board))~~) commission will consist of four legislative
9 members, (~~((five))~~) three citizen members with transportation-related
10 expertise, (~~((one))~~) three citizen members with performance measurement
11 expertise, and one ex officio nonvoting member, and one at large
12 member. The legislative auditor is the ex officio nonvoting member.
13 The majority and minority leaders of the house and senate
14 transportation committees, or their designees, are the legislative
15 members. The governor shall appoint the at large member to serve for
16 a term of four years. The citizen members must be (~~((nominated by~~
17 ~~professional associations chosen by the board's legislative members~~
18 ~~and))~~) appointed by the governor for terms of four years, except that at
19 least half the initial appointments will be for terms of two years.
20 The citizen members may not be currently, or within one year, employed
21 by the Washington state department of transportation. The (~~((citizen~~
22 ~~members will consist of))~~) governor, when appointing the citizen members
23 with transportation-related expertise, may consult with appropriate
24 professional associations and shall consider the following
25 transportation-related experiences:

26 (a) (~~((One member with expertise in))~~) Construction project planning,
27 including permitting and assuring regulatory compliance;

28 (b) (~~((One member with expertise in))~~) Construction means and methods
29 and construction management, crafting and implementing environmental
30 mitigation plans, and administration;

31 (c) (~~((One member with expertise in))~~) Construction engineering
32 services, including construction management, materials testing,
33 materials documentation, contractor payments, inspection, surveying,
34 and project oversight;

35 (d) (~~((One member with expertise in))~~) Project management, including
36 design estimating, contract packaging, and procurement; and

1 (e) (~~One member with expertise in~~) Transportation planning and
2 congestion management.

3 (3) The governor may not remove citizen members from the (~~board~~)
4 commission before the expiration of their terms unless for cause based
5 upon a determination of incapacity, incompetence, neglect of duty,
6 (~~of~~) or malfeasance in office by the Thurston county superior court,
7 upon petition and show cause proceedings brought for that purpose in
8 that court and directed to the (~~board member~~) commissioner in
9 question.

10 (4) No member may be appointed for more than three consecutive
11 terms.

12 **Sec. 19.** RCW 44.75.040 and 2003 c 362 s 4 are each amended to read
13 as follows:

14 (1) The (~~board~~) commission shall meet periodically. It may adopt
15 its own rules and may establish its own procedures. It shall act
16 collectively in harmony with recorded resolutions or motions adopted by
17 a majority vote of the members.

18 (2) Each member of the (~~transportation performance audit board~~)
19 commission will be compensated (~~from the general appropriation for the~~
20 ~~legislative transportation committee~~) in accordance with RCW 43.03.250
21 and reimbursed for actual necessary traveling and other expenses in
22 going to, attending, and returning from meetings of the (~~board~~)
23 commission or that are incurred in the discharge of duties requested by
24 the chair. However, in no event may a (~~board~~) commission member be
25 compensated in any year for more than one hundred twenty days, except
26 the chair may be compensated for not more than one hundred fifty days.
27 Service on the (~~board~~) commission does not qualify as a service
28 credit for the purposes of a public retirement system.

29 (3) The (~~transportation performance audit board~~) commission shall
30 keep proper records and is subject to audit by the state auditor or
31 other auditing entities.

32 (4) (~~Staff support to the transportation performance audit board~~
33 ~~must be provided by the legislative transportation committee, which~~
34 ~~shall provide professional support for the duties, functions,~~
35 ~~responsibilities, and activities of the board, including but not~~
36 ~~limited to information technology systems; data collection, processing,~~
37 ~~analysis, and reporting; project management; and office space,~~

1 ~~equipment, and secretarial support. The legislative evaluation and~~
2 ~~accountability program will provide data and information technology~~
3 ~~support consistent with the support currently supplied to existing~~
4 ~~legislative committees.)~~ The commission may appoint an administrative
5 secretary and may from time to time retain consultants and other
6 technical personnel to advise it in the performance of its duties.

7 (5) Each member of the commission shall disclose any actual or
8 potential conflict of interest, if applicable under the circumstance,
9 regarding all performance reviews and performance audits conducted
10 under this chapter.

11 NEW SECTION. Sec. 20. A new section is added to chapter 47.-- RCW
12 (new chapter created in section 149 of this act) to read as follows:

13 (1) The transportation accountability commission shall provide a
14 public forum for the development of transportation policy in Washington
15 state. It may recommend to the secretary of transportation, the
16 governor, and the legislature means for obtaining appropriate citizen
17 and professional involvement in transportation accountability policy
18 formulation. It may further hold hearings and explore ways to enhance
19 the accountability of transportation programs.

20 (2) Every two years, in coordination with the development of the
21 state biennial budget, the commission shall prepare the statewide
22 transportation accountability progress report that evaluates progress
23 towards transportation performance goals and outlines the
24 transportation priorities of the ensuing biennium. The report must:

25 (a) Consider the citizen input gathered at the forums;

26 (b) Consider the results of performance measure reviews and
27 performance audits performed in the two-year period leading up to that
28 review;

29 (c) Be developed with the assistance of transportation-related
30 agencies and organizations;

31 (d) Be considered by the secretary of transportation and other
32 state transportation-related agencies in preparing proposed agency
33 budgets and executive request legislation;

34 (e) Be submitted by the commission to the governor and the
35 legislature by October 1st of each even-numbered year.

36 (3) In fulfilling its responsibilities under this section, the

1 commission may create ad hoc committees or other such committees of
2 limited duration as necessary.

3 **Sec. 21.** RCW 44.75.050 and 2003 c 362 s 5 are each amended to read
4 as follows:

5 (1) The transportation (~~((performance audit board))~~) accountability
6 commission may review the performance and outcome measures of
7 transportation-related agencies. The purpose of these reviews is to
8 ensure that the governor and the legislature has the means to
9 adequately and accurately assess the performance and outcomes of those
10 agencies and departments. Where two or more agencies have shared
11 responsibility for functions or priorities of government, these reviews
12 can also determine whether effective interagency cooperation and
13 collaboration occurs in areas such as program coordination,
14 administrative structures, information systems, and administration of
15 grants and loans.

16 (2) The commission shall, as soon as practicable, conduct a review
17 of the comprehensive ten-year investment program process, including the
18 required criteria, under RCW 47.05.030 and 47.05.051.

19 (3) In conducting these reviews, the (~~((transportation performance~~
20 ~~audit board))~~) commission may work in consultation with the
21 (~~((legislative transportation committee, the))~~) joint legislative audit
22 and review committee, the office of financial management, and other
23 state agencies.

24 **Sec. 22.** RCW 44.75.060 and 2003 c 362 s 6 are each amended to read
25 as follows:

26 The performance and outcome measures and benchmarks of each agency
27 or department may be reviewed at the discretion of the transportation
28 (~~((performance audit board))~~) accountability commission. In setting the
29 schedule and the extent of performance reviews, the (~~((board))~~)
30 commission shall consider the timing and results of other recent state,
31 federal, and independent reviews and audits, the seriousness of past
32 findings, any inadequate remedial action taken by an agency or
33 department, whether an agency or department lacks performance and
34 outcome measures, and the desirability to include a diverse range of
35 agencies or programs each year.

1 **Sec. 23.** RCW 44.75.080 and 2003 c 362 s 8 are each amended to read
2 as follows:

3 After reviewing the performance or outcome measures and benchmarks
4 of an agency or department, or at any time it so determines, the
5 (~~transportation performance audit board shall recommend to the~~
6 ~~executive committee of the legislative transportation committee~~
7 ~~whether~~) commission may direct a full performance or functional audit
8 of the agency or department, or a specific program within the agency or
9 department(~~, is appropriate. Upon the request of the legislative~~
10 ~~transportation committee or its executive committee, the joint~~
11 ~~legislative audit and review committee shall add the full performance~~
12 ~~or functional audit to its biennial performance audit work plan. If~~
13 ~~the request duplicates or overlaps audits already in the work plan, or~~
14 ~~was performed under the previous biennial work plan, the executive~~
15 ~~committees of the legislative transportation committee and the joint~~
16 ~~legislative audit and review committee shall meet to discuss and~~
17 ~~resolve the duplication or overlap~~)).

18 **Sec. 24.** RCW 44.75.090 and 2003 c 362 s 9 are each amended to read
19 as follows:

20 (~~(1)~~) To the greatest extent possible, (~~or when requested by the~~
21 ~~executive committee of the legislative transportation committee~~) and
22 to the extent funds are appropriated, the (~~legislative auditor~~)
23 commission administrator shall, subject to commission approval,
24 contract with and consult with private independent professional and
25 technical experts to optimize the independence of the reviews and
26 performance audits. In determining the need to contract with private
27 experts, the (~~legislative auditor~~) commission administrator shall
28 consider the degree of difficulty of the review or audit, the relative
29 cost of contracting for expertise, and the need to maintain auditor
30 independence from the subject agency or program. The commission
31 administrator may, subject to commission approval, contract with the
32 legislative auditor to serve as the contract manager of the reviews and
33 performance audits.

34 (~~(2)~~) ~~After consultation with the executive committee of the~~
35 ~~legislative transportation committee on the appropriateness of costs,~~
36 ~~the legislative transportation committee shall reimburse the joint~~

1 ~~legislative audit and review committee or the legislative auditor for~~
2 ~~the costs of carrying out any requested performance audits, including~~
3 ~~the cost of contracts and consultant services.~~

4 ~~(3) The executive committee of the legislative transportation~~
5 ~~committee must review and approve the methodology for performance~~
6 ~~audits recommended by the transportation performance audit board.))~~

7 **Sec. 25.** RCW 44.75.100 and 2003 c 362 s 10 are each amended to
8 read as follows:

9 (1) When the commission has completed a performance audit, the
10 commission shall transmit the preliminary performance audit report to
11 the affected state agency or local government and the office of
12 financial management for comment. The agency or local government and
13 the office of financial management shall provide any response to the
14 commission within thirty days after receipt of the preliminary report
15 unless a different time period is approved by the commission. The
16 commission shall incorporate the response of the agency or local
17 government and the office of financial management into the final
18 performance audit report. The commission may also include an addendum
19 with commission comments on the management of the audit.

20 (2) Before releasing the results of a performance audit originally
21 requested by the joint transportation committee to the legislature or
22 the public, the commission administrator shall submit the preliminary
23 performance audit report to the joint committee for review and comments
24 solely on the management of the audit. Any comments by the joint
25 committee must be included as a separate addendum to the final
26 performance audit report. However, the commission administrator is not
27 required to submit the preliminary performance audit report if the
28 legislative auditor submits it under RCW 44.28.088.

29 (3) Completed performance audits must be presented to the
30 ((transportation performance audit board and the legislative
31 transportation committee)) commission. Published performance audits
32 must be made available to the public through the ((legislative
33 transportation committee and the joint legislative audit and review
34 committee's)) commission's web site and through customary public
35 communications. Final reports must also be transmitted to the affected
36 agency, the director of financial management, and the appropriate
37 policy and fiscal standing committees of the legislature.

1 **Sec. 26.** RCW 44.75.110 and 2003 c 362 s 11 are each amended to
2 read as follows:

3 The (~~legislative auditor~~) commission administrator, or the
4 legislative auditor if contracted under RCW 44.75.090 (as recodified by
5 this act), shall determine in writing the scope of any performance
6 audit (~~requested~~) directed by the (~~legislative transportation~~
7 ~~committee or its executive committee~~) commission, subject to the
8 review and approval of the final scope of the audit by the
9 (~~transportation performance audit board, and the legislative~~
10 ~~transportation committee or its executive committee~~) commission. In
11 doing so, the (~~legislative auditor,~~) commission administrator, or
12 legislative auditor if contracted under RCW 44.75.090 (as recodified by
13 this act), and the (~~transportation performance audit board, and the~~
14 ~~legislative transportation committee or its executive committee~~)
15 commission shall consider inclusion of the following elements in the
16 scope of the audit:

17 (1) Identification of potential cost savings in the agency, its
18 programs, and its services;

19 (2) Identification and recognition of best practices;

20 (3) Identification of funding to the agency, to programs, and to
21 services that can be eliminated or reduced;

22 (4) Identification of programs and services that can be eliminated,
23 reduced, or transferred to the private sector;

24 (5) Analysis of gaps and overlaps in programs and services and
25 recommendations for improving, dropping, blending, or separating
26 functions to correct gaps or overlaps;

27 (6) Analysis and recommendations for pooling information technology
28 systems;

29 (7) Analysis of the roles and functions of the agency, its
30 programs, and its services and their compliance with statutory
31 authority and recommendations for eliminating or changing those roles
32 and functions and ensuring compliance with statutory authority;

33 (8) Recommendations for eliminating or changing statutes, rules,
34 and policy directives as may be necessary to ensure that the agency
35 carry out reasonably and properly those functions expressly vested in
36 the department by statute; and

37 (9) Verification of the reliability and validity of department

1 performance data, self-assessments, and performance measurement systems
2 as required under RCW 43.88.090.

3 **Sec. 27.** RCW 44.75.120 and 2003 c 362 s 12 are each amended to
4 read as follows:

5 When conducting a full performance audit of an agency or
6 department, or a specific program within an agency or department, or
7 multiple agencies, in accordance with RCW 44.75.110 (as recodified by
8 this act), the (~~legislative auditor~~) commission administrator shall
9 solicit input from appropriate industry representatives or experts.
10 The audit report must make recommendations regarding the continuation,
11 abolition, consolidation, or reorganization of each affected agency,
12 department, or program. The audit report must identify opportunities
13 to develop government partnerships, and eliminate program redundancies
14 that will result in increased quality, effectiveness, and efficiency of
15 state agencies.

16 **Sec. 28.** RCW 44.28.161 and 2003 c 362 s 13 are each amended to
17 read as follows:

18 In addition to any other audits developed or included in the audit
19 work plan under this chapter, the legislative auditor shall manage
20 transportation-related performance audits (~~directed by the executive~~
21 ~~committee of the legislative transportation committee under RCW~~
22 ~~44.75.080. If directed to perform or contract for audit services under~~
23 ~~RCW 44.75.080, the legislative auditor or joint legislative audit and~~
24 ~~review committee will receive from the legislative transportation~~
25 ~~committee an interagency reimbursement equal to the cost of the~~
26 ~~contract or audit services~~) if contracted to do so under RCW 44.75.090
27 (as recodified by this act).

28 **References to LTC and Commission**

29 **Sec. 101.** RCW 35.58.2796 and 1989 c 396 s 2 are each amended to
30 read as follows:

31 The department of transportation shall develop an annual report
32 summarizing the status of public transportation systems in the state.
33 By September 1st of each year, copies of the report shall be submitted
34 to the (~~legislative transportation committee~~) transportation

1 committees of the legislature and to each municipality, as defined in
2 RCW 35.58.272, and to individual members of the municipality's
3 legislative authority. (~~The department shall prepare and submit a~~
4 ~~preliminary report by December 1, 1989.~~)

5 To assist the department with preparation of the report, each
6 municipality shall file a system report by April 1st of each year with
7 the state department of transportation identifying its public
8 transportation services for the previous calendar year and its
9 objectives for improving the efficiency and effectiveness of those
10 services. The system report shall address those items required for
11 each public transportation system in the department's report.

12 The department report shall describe individual public
13 transportation systems, including contracted transportation services
14 and dial-a-ride services, and include a statewide summary of public
15 transportation issues and data. The descriptions shall include the
16 following elements and such other elements as the department deems
17 appropriate after consultation with the municipalities and the
18 (~~legislative transportation committee~~) transportation committees of
19 the legislature:

- 20 (1) Equipment and facilities, including vehicle replacement
21 standards;
- 22 (2) Services and service standards;
- 23 (3) Revenues, expenses, and ending balances, by fund source;
- 24 (4) Policy issues and system improvement objectives, including
25 community participation in development of those objectives and how
26 those objectives address statewide transportation priorities;
- 27 (5) Operating indicators applied to public transportation services,
28 revenues, and expenses. Operating indicators shall include operating
29 cost per passenger trip, operating cost per revenue vehicle service
30 hour, passenger trips per revenue service hour, passenger trips per
31 vehicle service mile, vehicle service hours per employee, and farebox
32 revenue as a percent of operating costs.

33 **Sec. 102.** RCW 36.78.070 and 1999 c 269 s 1 are each amended to
34 read as follows:

35 The county road administration board shall:
36 (1) Establish by rule, standards of good practice for the

1 administration of county roads and the efficient movement of people and
2 goods over county roads;

3 (2) Establish reporting requirements for counties with respect to
4 the standards of good practice adopted by the board;

5 (3) Receive and review reports from counties and reports from its
6 executive director to determine compliance with legislative directives
7 and the standards of good practice adopted by the board;

8 (4) Advise counties on issues relating to county roads and the safe
9 and efficient movement of people and goods over county roads and assist
10 counties in developing uniform and efficient transportation-related
11 information technology resources;

12 (5) Report annually before the fifteenth day of January, and
13 throughout the year as appropriate, to the state department of
14 transportation and to the chairs of the (~~legislative transportation~~
15 ~~committee and the~~) house and senate transportation committees, and to
16 other entities as appropriate on the status of county road
17 administration in each county, including one copy to the staff of each
18 of the committees. The annual report shall contain recommendations for
19 improving administration of the county road programs;

20 (6) Administer the rural arterial program established by chapter
21 36.79 RCW and the program funded by the county arterial preservation
22 account established by RCW 46.68.090, as well as any other programs
23 provided for in law.

24 **Sec. 103.** RCW 41.40.037 and 2004 c 242 s 63 are each amended to
25 read as follows:

26 (1)(a) If a retiree enters employment with an employer sooner than
27 one calendar month after his or her accrual date, the retiree's monthly
28 retirement allowance will be reduced by five and one-half percent for
29 every eight hours worked during that month. This reduction will be
30 applied each month until the retiree remains absent from employment
31 with an employer for one full calendar month.

32 (b) The benefit reduction provided in (a) of this subsection will
33 accrue for a maximum of one hundred sixty hours per month. Any benefit
34 reduction over one hundred percent will be applied to the benefit the
35 retiree is eligible to receive in subsequent months.

36 (2)(a) Except as provided in (b) of this subsection, a retiree from
37 plan 1 who enters employment with an employer at least one calendar

1 month after his or her accrual date may continue to receive pension
2 payments while engaged in such service for up to eight hundred sixty-
3 seven hours of service in a calendar year without a reduction of
4 pension.

5 (b) A retiree from plan 1 who enters employment with an employer at
6 least three calendar months after his or her accrual date and:

7 (i) Is hired into a position for which the employer has documented
8 a justifiable need to hire a retiree into the position;

9 (ii) Is hired through the established process for the position with
10 the approval of: A school board for a school district; the chief
11 executive officer of a state agency employer; the secretary of the
12 senate for the senate; the chief clerk of the house of representatives
13 for the house of representatives; the secretary of the senate and the
14 chief clerk of the house of representatives jointly for the joint
15 legislative audit and review committee, (~~the legislative~~
16 ~~transportation committee,~~) the joint committee on pension policy, the
17 legislative evaluation and accountability program, the legislative
18 systems committee, and the statute law committee; or according to rules
19 adopted for the rehiring of retired plan 1 members for a local
20 government employer;

21 (iii) The employer retains records of the procedures followed and
22 decisions made in hiring the retiree, and provides those records in the
23 event of an audit; and

24 (iv) The employee has not already rendered a cumulative total of
25 more than one thousand nine hundred hours of service while in receipt
26 of pension payments beyond an annual threshold of eight hundred sixty-
27 seven hours;

28 shall cease to receive pension payments while engaged in that service
29 after the retiree has rendered service for more than one thousand five
30 hundred hours in a calendar year. The one thousand nine hundred hour
31 cumulative total under this subsection applies prospectively to those
32 retiring after July 27, 2003, and retroactively to those who retired
33 prior to July 27, 2003, and shall be calculated from the date of
34 retirement.

35 (c) When a plan 1 member renders service beyond eight hundred
36 sixty-seven hours, the department shall collect from the employer the
37 applicable employer retirement contributions for the entire duration of
38 the member's employment during that calendar year.

1 (d) A retiree from plan 2 or plan 3 who has satisfied the break in
2 employment requirement of subsection (1) of this section may work up to
3 eight hundred sixty-seven hours in a calendar year in an eligible
4 position, as defined in RCW 41.32.010, 41.35.010, 41.37.010, or
5 41.40.010, or as a fire fighter or law enforcement officer, as defined
6 in RCW 41.26.030, without suspension of his or her benefit.

7 (3) If the retiree opts to reestablish membership under RCW
8 41.40.023(12), he or she terminates his or her retirement status and
9 becomes a member. Retirement benefits shall not accrue during the
10 period of membership and the individual shall make contributions and
11 receive membership credit. Such a member shall have the right to again
12 retire if eligible in accordance with RCW 41.40.180. However, if the
13 right to retire is exercised to become effective before the member has
14 rendered two uninterrupted years of service, the retirement formula and
15 survivor options the member had at the time of the member's previous
16 retirement shall be reinstated.

17 (4) The department shall collect and provide the state actuary with
18 information relevant to the use of this section for the select
19 committee on pension policy.

20 (5) The legislature reserves the right to amend or repeal this
21 section in the future and no member or beneficiary has a contractual
22 right to be employed for more than five months in a calendar year
23 without a reduction of his or her pension.

24 **Sec. 104.** RCW 43.10.101 and 1995 2nd sp.s. c 14 s 527 are each
25 amended to read as follows:

26 The attorney general shall prepare annually a report to the
27 (~~legislative~~) transportation committees of the legislature comprising
28 a comprehensive summary of all cases involving tort claims against the
29 department of transportation involving highways which were concluded
30 and closed in the previous calendar year. The report shall include for
31 each case closed:

32 (1) A summary of the factual background of the case;

33 (2) Identification of the attorneys representing the state and the
34 opposing parties;

35 (3) A synopsis of the legal theories asserted and the defenses
36 presented;

1 (4) Whether the case was tried, settled, or dismissed, and in whose
2 favor;

3 (5) The approximate number of attorney hours expended by the state
4 on the case, together with the corresponding dollar amount billed
5 therefore; and

6 (6) Such other matters relating to the case as the attorney general
7 deems relevant or appropriate, especially including any comments or
8 recommendations for changes in statute law or agency practice that
9 might effectively reduce the exposure of the state to such tort claims.

10 **Sec. 105.** RCW 43.79.270 and 1998 c 177 s 1 are each amended to
11 read as follows:

12 (1) Whenever any money, from the federal government, or from other
13 sources, which was not anticipated in the budget approved by the
14 legislature has actually been received and is designated to be spent
15 for a specific purpose, the head of any department, agency, board, or
16 commission through which such expenditure shall be made is to submit to
17 the governor a statement which may be in the form of a request for an
18 allotment amendment setting forth the facts constituting the need for
19 such expenditure and the estimated amount to be expended: PROVIDED,
20 That no expenditure shall be made in excess of the actual amount
21 received, and no money shall be expended for any purpose except the
22 specific purpose for which it was received. A copy of any proposal
23 submitted to the governor to expend money from an appropriated fund or
24 account in excess of appropriations provided by law which is based on
25 the receipt of unanticipated revenues shall be submitted to the joint
26 legislative audit and review committee and also to the standing
27 committees on ways and means of the house and senate if the legislature
28 is in session at the same time as it is transmitted to the governor.

29 (2) Notwithstanding subsection (1) of this section, whenever money
30 from any source that was not anticipated in the transportation budget
31 approved by the legislature has actually been received and is
32 designated to be spent for a specific purpose, the head of a
33 department, agency, board, or commission through which the expenditure
34 must be made shall submit to the governor a statement, which may be in
35 the form of a request for an allotment amendment, setting forth the
36 facts constituting the need for the expenditure and the estimated
37 amount to be expended. However, no expenditure may be made in excess

1 of the actual amount received, and no money may be expended for any
2 purpose except the specific purpose for which it was received. A copy
3 of any proposal submitted to the governor to expend money from an
4 appropriated transportation fund or account in excess of appropriations
5 provided by law that is based on the receipt of unanticipated revenues
6 must be submitted, at a minimum, to the standing committees on
7 transportation of the house and senate(~~(, if the legislature is in~~
8 ~~session,)~~) at the same time as it is transmitted to the governor.
9 (~~(During the legislative interim, any such proposal must be submitted~~
10 ~~to the legislative transportation committee.)~~)

11 **Sec. 106.** RCW 43.79.280 and 1998 c 177 s 2 are each amended to
12 read as follows:

13 (1) If the governor approves such estimate in whole or part, he
14 shall endorse on each copy of the statement his approval, together with
15 a statement of the amount approved in the form of an allotment
16 amendment, and transmit one copy to the head of the department, agency,
17 board, or commission authorizing the expenditure. An identical copy of
18 the governor's statement of approval and a statement of the amount
19 approved for expenditure shall be transmitted simultaneously to the
20 joint legislative audit and review committee and also to the standing
21 committee on ways and means of the house and senate of all executive
22 approvals of proposals to expend money in excess of appropriations
23 provided by law.

24 (2) If the governor approves an estimate with transportation
25 funding implications, in whole or part, he shall endorse on each copy
26 of the statement his approval, together with a statement of the amount
27 approved in the form of an allotment amendment, and transmit one copy
28 to the head of the department, agency, board, or commission authorizing
29 the expenditure. An identical copy of the governor's statement of
30 approval of a proposal to expend transportation money in excess of
31 appropriations provided by law and a statement of the amount approved
32 for expenditure must be transmitted simultaneously to the standing
33 committees on transportation of the house and senate. (~~(During the~~
34 ~~legislative interim, all estimate approvals endorsed by the governor~~
35 ~~along with a statement of the amount approved in the form of an~~
36 ~~allotment amendment must be transmitted simultaneously to the~~
37 ~~legislative transportation committee.)~~)

1 **Sec. 107.** RCW 43.88.020 and 2000 2nd sp.s. c 4 s 11 are each
2 amended to read as follows:

3 (1) "Budget" means a proposed plan of expenditures for a given
4 period or purpose and the proposed means for financing these
5 expenditures.

6 (2) "Budget document" means a formal statement, either written or
7 provided on any electronic media or both, offered by the governor to
8 the legislature, as provided in RCW 43.88.030.

9 (3) "Director of financial management" means the official appointed
10 by the governor to serve at the governor's pleasure and to whom the
11 governor may delegate necessary authority to carry out the governor's
12 duties as provided in this chapter. The director of financial
13 management shall be head of the office of financial management which
14 shall be in the office of the governor.

15 (4) "Agency" means and includes every state office, officer, each
16 institution, whether educational, correctional, or other, and every
17 department, division, board, and commission, except as otherwise
18 provided in this chapter.

19 (5) "Public funds", for purposes of this chapter, means all moneys,
20 including cash, checks, bills, notes, drafts, stocks, and bonds,
21 whether held in trust, for operating purposes, or for capital purposes,
22 and collected or disbursed under law, whether or not such funds are
23 otherwise subject to legislative appropriation, including funds
24 maintained outside the state treasury.

25 (6) "Regulations" means the policies, standards, and requirements,
26 stated in writing, designed to carry out the purposes of this chapter,
27 as issued by the governor or the governor's designated agent, and which
28 shall have the force and effect of law.

29 (7) "Ensuing biennium" means the fiscal biennium beginning on July
30 1st of the same year in which a regular session of the legislature is
31 held during an odd-numbered year pursuant to Article II, section 12 of
32 the Constitution and which biennium next succeeds the current biennium.

33 (8) "Dedicated fund" means a fund in the state treasury, or a
34 separate account or fund in the general fund in the state treasury,
35 that by law is dedicated, appropriated, or set aside for a limited
36 object or purpose; but "dedicated fund" does not include a revolving
37 fund or a trust fund.

1 (9) "Revolving fund" means a fund in the state treasury,
2 established by law, from which is paid the cost of goods or services
3 furnished to or by a state agency, and which is replenished through
4 charges made for such goods or services or through transfers from other
5 accounts or funds.

6 (10) "Trust fund" means a fund in the state treasury in which
7 designated persons or classes of persons have a vested beneficial
8 interest or equitable ownership, or which was created or established by
9 a gift, grant, contribution, devise, or bequest that limits the use of
10 the fund to designated objects or purposes.

11 (11) "Administrative expenses" means expenditures for: (a)
12 Salaries, wages, and related costs of personnel and (b) operations and
13 maintenance including but not limited to costs of supplies, materials,
14 services, and equipment.

15 (12) "Fiscal year" means the year beginning July 1st and ending the
16 following June 30th.

17 (13) "Lapse" means the termination of authority to expend an
18 appropriation.

19 (14) "Legislative fiscal committees" means the joint legislative
20 audit and review committee, the legislative evaluation and
21 accountability program committee, and the ways and means and
22 transportation committees of the senate and house of representatives(~~(~~
23 ~~and, where appropriate, the legislative transportation committee)~~)).

24 (15) "Fiscal period" means the period for which an appropriation is
25 made as specified within the act making the appropriation.

26 (16) "Primary budget driver" means the primary determinant of a
27 budget level, other than a price variable, which causes or is
28 associated with the major expenditure of an agency or budget unit
29 within an agency, such as a caseload, enrollment, workload, or
30 population statistic.

31 (17) "State tax revenue limit" means the limitation created by
32 chapter 43.135 RCW.

33 (18) "General state revenues" means the revenues defined by Article
34 VIII, section 1(c) of the state Constitution.

35 (19) "Annual growth rate in real personal income" means the
36 estimated percentage growth in personal income for the state during the
37 current fiscal year, expressed in constant value dollars, as published
38 by the office of financial management or its successor agency.

1 (20) "Estimated revenues" means estimates of revenue in the most
2 recent official economic and revenue forecast prepared under RCW
3 82.33.020, and prepared by the office of financial management for those
4 funds, accounts, and sources for which the office of the economic and
5 revenue forecast council does not prepare an official forecast
6 (~~including estimates of revenues to support financial plans under RCW~~
7 ~~44.40.070~~), that are prepared by the office of financial management in
8 consultation with the transportation revenue forecast council.

9 (21) "Estimated receipts" means the estimated receipt of cash in
10 the most recent official economic and revenue forecast prepared under
11 RCW 82.33.020, and prepared by the office of financial management for
12 those funds, accounts, and sources for which the office of the economic
13 and revenue forecast council does not prepare an official forecast.

14 (22) "State budgeting, accounting, and reporting system" means a
15 system that gathers, maintains, and communicates fiscal information.
16 The system links fiscal information beginning with development of
17 agency budget requests through adoption of legislative appropriations
18 to tracking actual receipts and expenditures against approved plans.

19 (23) "Allotment of appropriation" means the agency's statement of
20 proposed expenditures, the director of financial management's review of
21 that statement, and the placement of the approved statement into the
22 state budgeting, accounting, and reporting system.

23 (24) "Statement of proposed expenditures" means a plan prepared by
24 each agency that breaks each appropriation out into monthly detail
25 representing the best estimate of how the appropriation will be
26 expended.

27 (25) "Undesignated fund balance (or deficit)" means unreserved and
28 undesignated current assets or other resources available for
29 expenditure over and above any current liabilities which are expected
30 to be incurred by the close of the fiscal period.

31 (26) "Internal audit" means an independent appraisal activity
32 within an agency for the review of operations as a service to
33 management, including a systematic examination of accounting and fiscal
34 controls to assure that human and material resources are guarded
35 against waste, loss, or misuse; and that reliable data are gathered,
36 maintained, and fairly disclosed in a written report of the audit
37 findings.

1 (27) "Performance verification" means an analysis that (a) verifies
2 the accuracy of data used by state agencies in quantifying intended
3 results and measuring performance toward those results, and (b)
4 verifies whether or not the reported results were achieved.

5 (28) "Performance audit" has the same meaning as it is defined in
6 RCW 44.28.005.

7 **Sec. 108.** RCW 43.88.030 and 2004 c 276 s 908 are each amended to
8 read as follows:

9 (1) The director of financial management shall provide all agencies
10 with a complete set of instructions for submitting biennial budget
11 requests to the director at least three months before agency budget
12 documents are due into the office of financial management. ((The
13 director shall provide agencies and committees that are required under
14 RCW 44.40.070 to develop comprehensive six year program and financial
15 plans with a complete set of instructions for submitting these program
16 and financial plans at the same time that instructions for submitting
17 other budget requests are provided.)) The budget document or documents
18 shall consist of the governor's budget message which shall be
19 explanatory of the budget and shall contain an outline of the proposed
20 financial policies of the state for the ensuing fiscal period, as well
21 as an outline of the proposed six-year financial policies where
22 applicable, and shall describe in connection therewith the important
23 features of the budget. The message shall set forth the reasons for
24 salient changes from the previous fiscal period in expenditure and
25 revenue items and shall explain any major changes in financial policy.
26 Attached to the budget message shall be such supporting schedules,
27 exhibits and other explanatory material in respect to both current
28 operations and capital improvements as the governor shall deem to be
29 useful to the legislature. The budget document or documents shall set
30 forth a proposal for expenditures in the ensuing fiscal period, or six-
31 year period where applicable, based upon the estimated revenues and
32 caseloads as approved by the economic and revenue forecast council and
33 caseload forecast council or upon the estimated revenues and caseloads
34 of the office of financial management for those funds, accounts,
35 sources, and programs for which the forecast councils do not prepare an
36 official forecast(, including those revenues anticipated to support
37 the six year programs and financial plans under RCW 44.40.070. In

1 ~~estimating revenues to support financial plans under RCW 44.40.070, the~~
2 ~~office of financial management shall rely on information and advice~~
3 ~~from the transportation revenue forecast council)).~~ Revenues shall be
4 estimated for such fiscal period from the source and at the rates
5 existing by law at the time of submission of the budget document,
6 including the supplemental budgets submitted in the even-numbered years
7 of a biennium. However, the estimated revenues and caseloads for use
8 in the governor's budget document may be adjusted to reflect budgetary
9 revenue transfers and revenue and caseload estimates dependent upon
10 budgetary assumptions of enrollments, workloads, and caseloads. All
11 adjustments to the approved estimated revenues and caseloads must be
12 set forth in the budget document. The governor may additionally
13 submit, as an appendix to each supplemental, biennial, or six-year
14 agency budget or to the budget document or documents, a proposal for
15 expenditures in the ensuing fiscal period from revenue sources derived
16 from proposed changes in existing statutes.

17 Supplemental and biennial documents shall reflect a six-year
18 expenditure plan consistent with estimated revenues from existing
19 sources (~~and at existing rates for those agencies required to submit~~
20 ~~six-year program and financial plans under RCW 44.40.070)).~~ Any
21 additional revenue resulting from proposed changes to existing statutes
22 shall be separately identified within the document as well as related
23 expenditures for the six-year period.

24 The budget document or documents shall also contain:

25 (a) Revenues classified by fund and source for the immediately past
26 fiscal period, those received or anticipated for the current fiscal
27 period, and those anticipated for the ensuing biennium(~~, and those~~
28 ~~anticipated for the ensuing six-year period to support the six-year~~
29 ~~programs and financial plans required under RCW 44.40.070));~~

30 (b) The undesignated fund balance or deficit, by fund;

31 (c) Such additional information dealing with expenditures,
32 revenues, workload, performance, and personnel as the legislature may
33 direct by law or concurrent resolution;

34 (d) Such additional information dealing with revenues and
35 expenditures as the governor shall deem pertinent and useful to the
36 legislature;

37 (e) Tabulations showing expenditures classified by fund, function,

1 activity, and agency. However, documents submitted for the 2005-07
2 biennial budget request need not show expenditures by activity;

3 (f) A delineation of each agency's activities, including those
4 activities funded from nonbudgeted, nonappropriated sources, including
5 funds maintained outside the state treasury;

6 (g) Identification of all proposed direct expenditures to implement
7 the Puget Sound water quality plan under chapter 90.71 RCW, shown by
8 agency and in total; and

9 (h) Tabulations showing each postretirement adjustment by
10 retirement system established after fiscal year 1991, to include, but
11 not be limited to, estimated total payments made to the end of the
12 previous biennial period, estimated payments for the present biennium,
13 and estimated payments for the ensuing biennium.

14 (2) The budget document or documents shall include detailed
15 estimates of all anticipated revenues applicable to proposed operating
16 or capital expenditures and shall also include all proposed operating
17 or capital expenditures. The total of beginning undesignated fund
18 balance and estimated revenues less working capital and other reserves
19 shall equal or exceed the total of proposed applicable expenditures.
20 The budget document or documents shall further include:

21 (a) Interest, amortization and redemption charges on the state
22 debt;

23 (b) Payments of all reliefs, judgments, and claims;

24 (c) Other statutory expenditures;

25 (d) Expenditures incident to the operation for each agency;

26 (e) Revenues derived from agency operations;

27 (f) Expenditures and revenues shall be given in comparative form
28 showing those incurred or received for the immediately past fiscal
29 period and those anticipated for the current biennium and next ensuing
30 biennium(~~(, as well as those required to support the six-year programs~~
31 ~~and financial plans required under RCW 44.40.070))~~);

32 (g) A showing and explanation of amounts of general fund and other
33 funds obligations for debt service and any transfers of moneys that
34 otherwise would have been available for appropriation;

35 (h) Common school expenditures on a fiscal-year basis;

36 (i) A showing, by agency, of the value and purpose of financing
37 contracts for the lease/purchase or acquisition of personal or real
38 property for the current and ensuing fiscal periods; and

1 (j) A showing and explanation of anticipated amounts of general
2 fund and other funds required to amortize the unfunded actuarial
3 accrued liability of the retirement system specified under chapter
4 41.45 RCW, and the contributions to meet such amortization, stated in
5 total dollars and as a level percentage of total compensation.

6 (3) A separate capital budget document or schedule shall be
7 submitted that will contain the following:

8 (a) A statement setting forth a long-range facilities plan for the
9 state that identifies and includes the highest priority needs within
10 affordable spending levels;

11 (b) A capital program consisting of proposed capital projects for
12 the next biennium and the two biennia succeeding the next biennium
13 consistent with the long-range facilities plan. Inasmuch as is
14 practical, and recognizing emergent needs, the capital program shall
15 reflect the priorities, projects, and spending levels proposed in
16 previously submitted capital budget documents in order to provide a
17 reliable long-range planning tool for the legislature and state
18 agencies;

19 (c) A capital plan consisting of proposed capital spending for at
20 least four biennia succeeding the next biennium;

21 (d) A strategic plan for reducing backlogs of maintenance and
22 repair projects. The plan shall include a prioritized list of specific
23 facility deficiencies and capital projects to address the deficiencies
24 for each agency, cost estimates for each project, a schedule for
25 completing projects over a reasonable period of time, and
26 identification of normal maintenance activities to reduce future
27 backlogs;

28 (e) A statement of the reason or purpose for a project;

29 (f) Verification that a project is consistent with the provisions
30 set forth in chapter 36.70A RCW;

31 (g) A statement about the proposed site, size, and estimated life
32 of the project, if applicable;

33 (h) Estimated total project cost;

34 (i) For major projects valued over five million dollars, estimated
35 costs for the following project components: Acquisition, consultant
36 services, construction, equipment, project management, and other costs
37 included as part of the project. Project component costs shall be

1 displayed in a standard format defined by the office of financial
2 management to allow comparisons between projects;

3 (j) Estimated total project cost for each phase of the project as
4 defined by the office of financial management;

5 (k) Estimated ensuing biennium costs;

6 (l) Estimated costs beyond the ensuing biennium;

7 (m) Estimated construction start and completion dates;

8 (n) Source and type of funds proposed;

9 (o) Estimated ongoing operating budget costs or savings resulting
10 from the project, including staffing and maintenance costs;

11 (p) For any capital appropriation requested for a state agency for
12 the acquisition of land or the capital improvement of land in which the
13 primary purpose of the acquisition or improvement is recreation or
14 wildlife habitat conservation, the capital budget document, or an
15 omnibus list of recreation and habitat acquisitions provided with the
16 governor's budget document, shall identify the projected costs of
17 operation and maintenance for at least the two biennia succeeding the
18 next biennium. Omnibus lists of habitat and recreation land
19 acquisitions shall include individual project cost estimates for
20 operation and maintenance as well as a total for all state projects
21 included in the list. The document shall identify the source of funds
22 from which the operation and maintenance costs are proposed to be
23 funded;

24 (q) Such other information bearing upon capital projects as the
25 governor deems to be useful;

26 (r) Standard terms, including a standard and uniform definition of
27 normal maintenance, for all capital projects;

28 (s) Such other information as the legislature may direct by law or
29 concurrent resolution.

30 For purposes of this subsection (3), the term "capital project"
31 shall be defined subsequent to the analysis, findings, and
32 recommendations of a joint committee comprised of representatives from
33 the house capital appropriations committee, senate ways and means
34 committee, (~~legislative transportation committee,~~) legislative
35 evaluation and accountability program committee, and office of
36 financial management.

37 (4) No change affecting the comparability of agency or program
38 information relating to expenditures, revenues, workload, performance

1 and personnel shall be made in the format of any budget document or
2 report presented to the legislature under this section or RCW
3 43.88.160(1) relative to the format of the budget document or report
4 which was presented to the previous regular session of the legislature
5 during an odd-numbered year without prior legislative concurrence.
6 Prior legislative concurrence shall consist of (a) a favorable majority
7 vote on the proposal by the standing committees on ways and means of
8 both houses if the legislature is in session or (b) a favorable
9 majority vote on the proposal by members of the legislative evaluation
10 and accountability program committee if the legislature is not in
11 session.

12 **Sec. 109.** RCW 43.88.230 and 1996 c 288 s 40 are each amended to
13 read as follows:

14 For the purposes of this chapter, the statute law committee, the
15 joint legislative audit and review committee, (~~the legislative~~
16 ~~transportation committee,~~) the legislative evaluation and
17 accountability program committee, the office of state actuary, and all
18 legislative standing committees of both houses shall be deemed a part
19 of the legislative branch of state government.

20 **Sec. 110.** RCW 43.105.160 and 1999 c 80 s 9 are each amended to
21 read as follows:

22 (1) The department shall prepare a state strategic information
23 technology plan which shall establish a statewide mission, goals, and
24 objectives for the use of information technology, including goals for
25 electronic access to government records, information, and services.
26 The plan shall be developed in accordance with the standards and
27 policies established by the board and shall be submitted to the board
28 for review, modification as necessary, and approval. The department
29 shall seek the advice of the board in the development of this plan.

30 The plan approved under this section shall be updated as necessary
31 and submitted to the governor(~~)~~) and the chairs and ranking minority
32 members of the appropriations committees of the senate and the house of
33 representatives(~~, and, during the legislative session, to the chairs~~
34 ~~and ranking minority members of the transportation committees of the~~
35 ~~senate and the house of representatives. During the legislative~~

1 ~~interim, the approved plan must be submitted to the legislative~~
2 ~~transportation committee, instead of the standing transportation~~
3 ~~committees)).~~

4 (2) The department shall prepare a biennial state performance
5 report on information technology based on agency performance reports
6 required under RCW 43.105.170 and other information deemed appropriate
7 by the department. The report shall include, but not be limited to:

8 (a) An analysis, based upon agency portfolios, of the state's
9 information technology infrastructure, including its value, condition,
10 and capacity;

11 (b) An evaluation of performance relating to information
12 technology;

13 (c) An assessment of progress made toward implementing the state
14 strategic information technology plan, including progress toward
15 electronic access to public information and enabling citizens to have
16 two-way access to public records, information, and services;

17 (d) An analysis of the success or failure, feasibility, progress,
18 costs, and timeliness of implementation of major information technology
19 projects under RCW 43.105.190;

20 (e) Identification of benefits, cost avoidance, and cost savings
21 generated by major information technology projects developed under RCW
22 43.105.190; and

23 (f) An inventory of state information services, equipment, and
24 proprietary software.

25 Copies of the report shall be distributed biennially to the
26 governor((~~τ~~)) and the chairs and ranking minority members of the
27 appropriations committees of the senate and the house of
28 representatives(~~(, and, during the legislative session, the chairs and~~
29 ~~ranking minority members of the transportation committees of the senate~~
30 ~~and the house of representatives. During the legislative interim, the~~
31 ~~report must be submitted to the legislative transportation committee,~~
32 ~~instead of the standing transportation committees)).~~

33 **Sec. 111.** RCW 43.105.190 and 1999 c 80 s 12 are each amended to
34 read as follows:

35 (1) The department, with the approval of the board, shall establish
36 standards and policies governing the planning, implementation, and
37 evaluation of major information technology projects, including those

1 proposed by the superintendent of public instruction, in conjunction
2 with educational service districts, or statewide or regional providers
3 of K-12 education information technology services. The standards and
4 policies shall:

5 (a) Establish criteria to identify projects which are subject to
6 this section. Such criteria shall include, but not be limited to,
7 significant anticipated cost, complexity, or statewide significance of
8 the project; and

9 (b) Establish a model process and procedures which agencies shall
10 follow in developing and implementing projects within their information
11 technology portfolios. Agencies may propose, for approval by the
12 department, a process and procedures unique to the agency. The
13 department may accept or require modification of such agency proposals
14 or the department may reject such agency proposals and require use of
15 the model process and procedures established under this subsection.
16 Any process and procedures developed under this subsection shall
17 require (i) distinct and identifiable phases upon which funding may be
18 based, (ii) user validation of products through system demonstrations
19 and testing of prototypes and deliverables, and (iii) other elements
20 identified by the board.

21 The director may terminate a major project if the director
22 determines that the project is not meeting or is not expected to meet
23 anticipated performance standards.

24 (2) The office of financial management shall establish policies and
25 standards consistent with portfolio-based information technology
26 management to govern the funding of projects developed under this
27 section. The policies and standards shall provide for:

28 (a) Funding of a project under terms and conditions mutually agreed
29 to by the director, the director of financial management, and the head
30 of the agency proposing the project. However, the office of financial
31 management may require incremental funding of a project on a phase-by-
32 phase basis whereby funds for a given phase of a project may be
33 released only when the office of financial management determines, with
34 the advice of the department, that the previous phase is satisfactorily
35 completed;

36 (b) Acceptance testing of products to assure that products perform
37 satisfactorily before they are accepted and final payment is made; and

1 (c) Other elements deemed necessary by the office of financial
2 management.

3 (3) The department shall evaluate projects based on the
4 demonstrated business needs and benefits; cost; technology scope and
5 feasibility; impact on the agency's information technology portfolio
6 and on the statewide infrastructure; and final project implementation
7 plan based upon available funding.

8 Copies of project evaluations conducted under this subsection shall
9 be submitted to the office of financial management and the chairs,
10 ranking minority members, and staff coordinators of the appropriations
11 committees of the senate and house of representatives.

12 If there are projects that receive funding from a transportation
13 fund or account, copies of those projects' evaluations conducted under
14 this subsection must be submitted(~~(, during the legislative session,)~~)
15 to the chairs and ranking minority members of the transportation
16 committees of the senate and the house of representatives. (~~During~~
17 ~~the legislative interim, the project evaluations must be submitted to~~
18 ~~the legislative transportation committee.))~~)

19 **Sec. 112.** RCW 44.04.260 and 2003 c 295 s 12 are each amended to
20 read as follows:

21 The joint legislative audit and review committee, (~~the legislative~~
22 ~~transportation committee,)~~) the select committee on pension policy, the
23 legislative evaluation and accountability program committee, and the
24 joint legislative systems committee are subject to such operational
25 policies, procedures, and oversight as are deemed necessary by the
26 facilities and operations committee of the senate and the executive
27 rules committee of the house of representatives to ensure operational
28 adequacy of the agencies of the legislative branch. As used in this
29 section, "operational policies, procedures, and oversight" includes the
30 development process of biennial budgets, contracting procedures,
31 personnel policies, and compensation plans, selection of a chief
32 administrator, facilities, and expenditures. This section does not
33 grant oversight authority to the facilities and operations committee of
34 the senate over any standing committee of the house of representatives
35 or oversight authority to the executive rules committee of the house of
36 representatives over any standing committee of the senate.

1 **Sec. 113.** RCW 44.28.088 and 2003 c 362 s 14 are each amended to
2 read as follows:

3 (1) When the legislative auditor has completed a performance audit
4 authorized in the performance audit work plan, the legislative auditor
5 shall transmit the preliminary performance audit report to the affected
6 state agency or local government and the office of financial management
7 for comment. The agency or local government and the office of
8 financial management shall provide any response to the legislative
9 auditor within thirty days after receipt of the preliminary performance
10 audit report unless a different time period is approved by the joint
11 committee. The legislative auditor shall incorporate the response of
12 the agency or local government and the office of financial management
13 into the final performance audit report.

14 (2) Except as provided in subsection (3) of this section, before
15 releasing the results of a performance audit to the legislature or the
16 public, the legislative auditor shall submit the preliminary
17 performance audit report to the joint committee for its review,
18 comments, and final recommendations. Any comments by the joint
19 committee must be included as a separate addendum to the final
20 performance audit report. Upon consideration and incorporation of the
21 review, comments, and recommendations of the joint committee, the
22 legislative auditor shall transmit the final performance audit report
23 to the affected agency or local government, the director of financial
24 management, the leadership of the senate and the house of
25 representatives, and the appropriate standing committees of the house
26 of representatives and the senate and shall publish the results and
27 make the report available to the public. For purposes of this section,
28 "leadership of the senate and the house of representatives" means the
29 speaker of the house, the majority leaders of the senate and the house
30 of representatives, the minority leaders of the senate and the house of
31 representatives, the caucus chairs of both major political parties of
32 the senate and the house of representatives, and the floor leaders of
33 both major political parties of the senate and the house of
34 representatives.

35 (3) If contracted to manage a transportation-related performance
36 audit under RCW 44.75.090 (as recodified by this act), before releasing
37 the results of a performance audit originally ((requested)) directed by
38 the ((executive committee of the legislative transportation committee))

1 transportation accountability commission to the legislature or the
2 public, the legislative auditor shall submit the preliminary
3 performance audit report to the (~~executive committee of the joint~~
4 ~~committee and the executive committee of the legislative transportation~~
5 ~~committee~~) transportation accountability commission for review and
6 comments solely on the management of the audit. Any comments by the
7 (~~executive committee of the joint committee and executive committee of~~
8 ~~the legislative transportation committee~~) transportation
9 accountability commission must be included as a separate addendum to
10 the final performance audit report. Upon consideration and
11 incorporation of the review and comments of the (~~executive committee~~
12 ~~of the joint committee and executive committee of the legislative~~
13 ~~transportation committee~~) transportation accountability commission,
14 the legislative auditor shall transmit the final performance audit
15 report to the affected agency or local government, the director of
16 financial management, the leadership of the senate and the house of
17 representatives, and the appropriate standing committees of the house
18 of representatives and the senate and shall publish the results and
19 make the report available to the public.

20 **Sec. 114.** RCW 44.40.025 and 1996 c 288 s 49 are each amended to
21 read as follows:

22 (~~In addition to the powers and duties authorized in RCW 44.40.020,~~
23 ~~the committee and~~) The standing committees on transportation of the
24 house and senate shall, in coordination with the joint legislative
25 audit and review committee, the legislative evaluation and
26 accountability program committee, and the ways and means committees of
27 the senate and house of representatives, ascertain, study, (~~and/or~~)
28 and analyze all available facts and matters relating or pertaining to
29 sources of revenue, appropriations, expenditures, and financial
30 condition of the motor vehicle fund and accounts thereof, the highway
31 safety fund, and all other funds or accounts related to transportation
32 programs of the state.

33 The joint legislative audit and review committee, the legislative
34 evaluation and accountability program committee, and the ways and means
35 committees of the senate and house of representatives shall coordinate
36 their activities with the (~~legislative~~) transportation committees of

1 the legislature in carrying out the committees' powers and duties under
2 chapter 43.88 RCW in matters relating to the transportation programs of
3 the state.

4 **Sec. 115.** RCW 46.01.320 and 1996 c 315 s 2 are each amended to
5 read as follows:

6 The title and registration advisory committee is created within the
7 department. The committee consists of the director or a designee, who
8 shall serve as chair, the assistant director for vehicle services, the
9 administrator of title and registration services, two members from each
10 of the house and senate transportation committees, two county auditors
11 nominated by the Washington association of county officials, and two
12 representatives of subagents nominated by an association of vehicle
13 subagents. The committee shall meet at least twice a year, and may
14 meet as often as is necessary.

15 The committee's purpose is to foster communication between the
16 legislature, the department, county auditors, and subagents. The
17 committee shall make recommendations (~~((when requested by the
18 legislative transportation committee, or on its own initiative,))~~) about
19 revisions to fee structures, implications of fee revisions on cost
20 sharing, and the development of standard contracts provided for in RCW
21 46.01.140(3).

22 **Sec. 116.** RCW 46.01.325 and 1996 c 315 s 3 are each amended to
23 read as follows:

24 (1) The director shall prepare, with the advice of the title and
25 registration advisory committee, an annual comprehensive analysis and
26 evaluation of agent and subagent fees. The director shall make
27 recommendations for agent and subagent fee revisions approved by the
28 title and registration advisory committee to the (~~legislative~~) senate
29 and house transportation committees by January 1st of every third year
30 starting with 1996. Fee revision recommendations may be made more
31 frequently when justified by the annual analysis and evaluation, and
32 requested by the title and registration advisory committee.

33 (2) The annual comprehensive analysis and evaluation must consider,
34 but is not limited to:

35 (a) Unique and significant financial, legislative, or other
36 relevant developments that may impact fees;

1 (b) Current funding for ongoing operating and maintenance
2 automation project costs affecting revenue collection and service
3 delivery;

4 (c) Future system requirements including an appropriate sharing of
5 costs between the department, agents, and subagents;

6 (d) Beneficial mix of customer service delivery options based on a
7 fee structure commensurate with quality performance standards;

8 (e) Appropriate indices projecting state and national growth in
9 business and economic conditions prepared by the United States
10 department of commerce, the department of revenue, and the revenue
11 forecast council for the state of Washington.

12 **Sec. 117.** RCW 46.16.705 and 2003 c 196 s 101 are each amended to
13 read as follows:

14 (1) The special license plate review board is created.

15 (2) The board will consist of seven members: One member appointed
16 by the governor and who will serve as chair of the board; four members
17 of the legislature, one from each caucus of the house of
18 representatives and the senate; a department of licensing
19 representative appointed by the director; and a Washington state patrol
20 representative appointed by the chief.

21 (3) Members shall serve terms of four years, except that four of
22 the members initially appointed will be appointed for terms of two
23 years. No member may be appointed for more than three consecutive
24 terms.

25 (4) The (~~legislative transportation committee~~) respective
26 appointing authority may remove members from the board before the
27 expiration of their terms only for cause based upon a determination of
28 incapacity, incompetence, neglect of duty, or malfeasance in office as
29 ordered by the Thurston county superior court, upon petition and show
30 cause proceedings brought for that purpose in that court and directed
31 to the board member in question.

32 **Sec. 118.** RCW 46.16.715 and 2003 c 196 s 102 are each amended to
33 read as follows:

34 (1) The board shall meet periodically at the call of the chair, but
35 must meet at least one time each year within ninety days before an
36 upcoming regular session of the legislature. The board may adopt its

1 own rules and may establish its own procedures. It shall act
2 collectively in harmony with recorded resolutions or motions adopted by
3 a majority vote of the members, and it must have a quorum present to
4 take a vote on a special license plate application.

5 (2) The board will be compensated from the general appropriation
6 for the (~~legislative transportation committee~~) department of
7 licensing in accordance with RCW 43.03.250. Each board member will be
8 compensated in accordance with RCW 43.03.250 and reimbursed for actual
9 necessary traveling and other expenses in going to, attending, and
10 returning from meetings of the board or that are incurred in the
11 discharge of duties requested by the chair. However, in no event may
12 a board member be compensated in any year for more than one hundred
13 twenty days, except the chair may be compensated for not more than one
14 hundred fifty days. Service on the board does not qualify as a service
15 credit for the purposes of a public retirement system.

16 (3) The board shall keep proper records and is subject to audit by
17 the state auditor or other auditing entities.

18 (4) The department of licensing shall provide administrative
19 support to the board, which must include at least the following:

20 (a) Provide general staffing to meet the administrative needs of
21 the board;

22 (b) Report to the board on the reimbursement status of any new
23 special license plate series for which the state had to pay the start-
24 up costs;

25 (c) Process special license plate applications and confirm that the
26 sponsoring organization has submitted all required documentation. If
27 an incomplete application is received, the department must return it to
28 the sponsoring organization;

29 (d) Compile the annual financial reports submitted by sponsoring
30 organizations with active special license plate series and present
31 those reports to the board for review and approval.

32 (~~(5) The legislative transportation committee shall provide~~
33 ~~general oversight of the board, which must include at least the~~
34 ~~following:~~

35 ~~(a) Process and approve board member compensation requests;~~

36 ~~(b) Review the annual financial reports submitted to the board by~~
37 ~~sponsoring organizations;~~

1 ~~(c) Review annually the list of the board's approved and rejected~~
2 ~~special license plate proposals submitted by sponsoring~~
3 ~~organizations.)~~

4 **Sec. 119.** RCW 46.16.725 and 2003 c 196 s 103 are each amended to
5 read as follows:

6 (1) The creation of the board does not in any way preclude the
7 authority of the legislature to independently propose and enact special
8 license plate legislation.

9 (2) The board must review and either approve or reject special
10 license plate applications submitted by sponsoring organizations.

11 (3) Duties of the board include but are not limited to the
12 following:

13 (a) Review and approve the annual financial reports submitted by
14 sponsoring organizations with active special license plate series and
15 present those annual financial reports to the ~~((legislative))~~ senate
16 and house transportation committees;

17 (b) Report annually to the ~~((legislative))~~ senate and house
18 transportation committees on the special license plate applications
19 that were considered by the board;

20 (c) Issue approval and rejection notification letters to sponsoring
21 organizations, the department, the chairs of the senate and house of
22 representatives transportation committees, and the legislative sponsors
23 identified in each application. The letters must be issued within
24 seven days of making a determination on the status of an application;

25 (d) Review annually the number of plates sold for each special
26 license plate series created after January 1, 2003. The board may
27 submit a recommendation to discontinue a special plate series to the
28 chairs of the senate and house of representatives transportation
29 committees.

30 **Sec. 120.** RCW 46.73.010 and 1985 c 333 s 1 are each amended to
31 read as follows:

32 The Washington state patrol may adopt rules establishing standards
33 for qualifications and hours of service of drivers for private carriers
34 as defined by RCW 81.80.010(6). Such standards shall correlate with
35 and, as far as reasonable, conform to the regulations contained in
36 Title 49 C.F.R., Chapter 3, Subchapter B, Parts 391 and 395, on July

1 28, 1985. (~~At least thirty days before filing notice of the proposed~~
2 ~~rules with the code reviser, the state patrol shall submit them to the~~
3 ~~legislative transportation committee for review.~~)

4 **Sec. 121.** RCW 47.01.280 and 1999 c 94 s 10 are each amended to
5 read as follows:

6 (1) Upon receiving an application for improvements to an existing
7 state highway or highways pursuant to RCW 43.160.074 from the community
8 economic revitalization board, the transportation commission shall, in
9 a timely manner, determine whether or not the proposed state highway
10 improvements:

11 (a) Meet the safety and design criteria of the department of
12 transportation;

13 (b) Will impair the operational integrity of the existing highway
14 system;

15 (c) Will affect any other improvements planned by the department;
16 and

17 (d) Will be consistent with its policies developed pursuant to RCW
18 47.01.071.

19 (2) Upon completion of its determination of the factors contained
20 in subsection (1) of this section and any other factors it deems
21 pertinent, the transportation commission shall forward its approval, as
22 submitted or amended or disapproval of the proposed improvements to the
23 board, along with any recommendation it may wish to make concerning the
24 desirability and feasibility of the proposed development. If the
25 transportation commission disapproves any proposed improvements, it
26 shall specify its reasons for disapproval.

27 (3) Upon notification from the board of an application's approval
28 pursuant to RCW 43.160.074, the transportation commission shall direct
29 the department of transportation to carry out the improvements in
30 coordination with the applicant.

31 (~~(4) The transportation commission shall notify the legislative~~
32 ~~transportation committee of all state highway improvements to be~~
33 ~~carried out pursuant to RCW 43.160.074 and this section.~~)

34 **Sec. 122.** RCW 47.02.120 and 1990 c 293 s 1 are each amended to
35 read as follows:

36 For the purpose of providing funds for the acquisition of

1 headquarters facilities for district 1 of the department of
2 transportation and costs incidental thereto, together with all
3 improvements and equipment required to make the facilities suitable for
4 the department's use, there shall be issued and sold upon the request
5 of the (~~Washington transportation commission~~) department a total of
6 fifteen million dollars of general obligation bonds of the state of
7 Washington.

8 **Sec. 123.** RCW 47.02.140 and 1990 c 293 s 3 are each amended to
9 read as follows:

10 Upon the request of the secretary of transportation (~~commission~~),
11 the state finance committee shall supervise and provide for the
12 issuance, sale, and retirement of the bonds authorized by RCW 47.02.120
13 through 47.02.190 in accordance with chapter 39.42 RCW. Bonds
14 authorized by RCW 47.02.120 through 47.02.190 shall be sold in such
15 manner, at such time or times, in such amounts, and at such price as
16 the state finance committee shall determine. Except for the purpose of
17 repaying the loan from the motor vehicle fund, no such bonds may be
18 offered for sale without prior legislative appropriation of the net
19 proceeds of the sale of the bonds.

20 The state finance committee shall consider the issuance of short-
21 term obligations in lieu of long-term obligations for the purposes of
22 more favorable interest rates, lower total interest costs, and
23 increased marketability and for the purpose of retiring the bonds
24 during the life of the project for which they were issued.

25 **Sec. 124.** RCW 47.04.210 and 2001 2nd sp.s. c 14 s 601 are each
26 amended to read as follows:

27 Federal funds that are administered by the department of
28 transportation and are passed through to municipal corporations or
29 political subdivisions of the state and moneys that are received as
30 total reimbursement for goods, services, or projects constructed by the
31 department of transportation are removed from the transportation
32 budget. To process and account for these expenditures a new treasury
33 trust account is created to be used for all department of
34 transportation one hundred percent federal and local reimbursable
35 transportation expenditures. This new account is nonbudgeted and
36 nonappropriated. At the same time, federal and private local

1 appropriations and full-time equivalents in subprograms R2, R3, T6, Y6,
2 and Z2 processed through this new account are removed from the
3 department of transportation's 1997-99 budget.

4 The department of transportation may make expenditures from the
5 account before receiving federal and local reimbursements. However, at
6 the end of each biennium, the account must maintain a zero or positive
7 cash balance. In the twenty-fourth month of each biennium the
8 department of transportation shall calculate and transfer sufficient
9 cash from either the motor vehicle fund or the multimodal
10 transportation account to cover any negative cash balances. The amount
11 transferred is calculated based on expenditures from each fund. In
12 addition, any interest charges accruing to the new account must be
13 distributed to the motor vehicle fund and the multimodal transportation
14 account.

15 The department of transportation shall provide an annual report to
16 the ((legislative)) senate and house transportation committees and the
17 office of financial management on expenditures and full-time
18 equivalents processed through the new account. The report must also
19 include recommendations for process changes, if needed.

20 **Sec. 125.** RCW 47.04.220 and 2001 2nd sp.s. c 14 s 602 are each
21 amended to read as follows:

22 (1) The miscellaneous transportation programs account is created in
23 the custody of the state treasurer.

24 (2) Moneys from the account may be used only for the costs of:

25 (a) Miscellaneous transportation services provided by the
26 department that are reimbursed by other public and private entities;

27 (b) Local transportation projects for which the department is a
28 conduit for federal reimbursement to a municipal corporation or
29 political subdivision; or

30 (c) Other reimbursable activities as recommended by the
31 ((legislative)) senate and house transportation committees and approved
32 by the office of financial management.

33 (3) Moneys received as reimbursement for expenditures under
34 subsection (2) of this section must be deposited into the account.

35 (4) No appropriation is required for expenditures from this
36 account. This fund is not subject to allotment procedures provided
37 under chapter 43.88 RCW.

1 (5) Only the secretary of transportation or the secretary's
2 designee may authorize expenditures from the account.

3 (6) It is the intent of the legislature that this account maintain
4 a zero or positive cash balance at the end of each biennium. Toward
5 this purpose the department may make expenditures from the account
6 before receiving reimbursements under subsection (2) of this section.
7 Before the end of the biennium, the department shall transfer
8 sufficient cash to cover any negative cash balances from the motor
9 vehicle fund and the multimodal transportation account to the
10 miscellaneous transportation programs account for unrecovered
11 reimbursements. The department shall calculate the distribution of
12 this transfer based on expenditures. In the ensuing biennium the
13 department shall transfer the reimbursements received in the
14 miscellaneous transportation programs account back to the motor vehicle
15 fund and the multimodal transportation account to the extent of the
16 cash transferred at biennium end. The department shall also distribute
17 any interest charges accruing to the miscellaneous transportation
18 programs account to the motor vehicle fund and the multimodal
19 transportation account. Adjustments for any indirect cost recoveries
20 may also be made at this time.

21 (7) The department shall provide an annual report to the
22 (~~legislative~~) senate and house transportation committees and the
23 office of financial management on the expenditures and full-time
24 equivalents processed through the miscellaneous transportation programs
25 account. The report must also include recommendations for changes to
26 the process, if needed.

27 **Sec. 126.** RCW 47.06.110 and 1996 c 186 s 512 are each amended to
28 read as follows:

29 The state-interest component of the statewide multimodal
30 transportation plan shall include a state public transportation plan
31 that:

32 (1) Articulates the state vision of an interest in public
33 transportation and provides quantifiable objectives, including benefits
34 indicators;

35 (2) Identifies the goals for public transit and the roles of
36 federal, state, regional, and local entities in achieving those goals;

1 (3) Recommends mechanisms for coordinating state, regional, and
2 local planning for public transportation;

3 (4) Recommends mechanisms for coordinating public transportation
4 with other transportation services and modes;

5 (5) Recommends criteria, consistent with the goals identified in
6 subsection (2) of this section and with RCW 82.44.180 (2) and (3), for
7 existing federal authorizations administered by the department to
8 transit agencies; and

9 (6) Recommends a statewide public transportation facilities and
10 equipment management system as required by federal law.

11 In developing the state public transportation plan, the department
12 shall involve local jurisdictions, public and private providers of
13 transportation services, nonmotorized interests, and state agencies
14 with an interest in public transportation, including but not limited to
15 the departments of community, trade, and economic development, social
16 and health services, and ecology, the office of the superintendent of
17 public instruction, the office of the governor, and the office of
18 financial management.

19 The department shall submit ~~((an initial report))~~ to the
20 ~~((legislative))~~ senate and house transportation committees by December
21 ~~((1, 1993, and shall provide annual))~~ 1st of each year, reports
22 summarizing the plan's progress ~~((each year thereafter))~~.

23 **Sec. 127.** RCW 47.06A.020 and 1999 c 216 s 1 are each amended to
24 read as follows:

25 (1) The board shall:

26 (a) Adopt rules and procedures necessary to implement the freight
27 mobility strategic investment program;

28 (b) Solicit from public entities proposed projects that meet
29 eligibility criteria established in accordance with subsection (4) of
30 this section; and

31 (c) Review and evaluate project applications based on criteria
32 established under this section, and prioritize and select projects
33 comprising a portfolio to be funded in part with grants from state
34 funds appropriated for the freight mobility strategic investment
35 program. In determining the appropriate level of state funding for a
36 project, the board shall ensure that state funds are allocated to
37 leverage the greatest amount of partnership funding possible. After

1 selecting projects comprising the portfolio, the board shall submit
2 them as part of its budget request to the office of financial
3 management and the legislature. The board shall ensure that projects
4 submitted as part of the portfolio are not more appropriately funded
5 with other federal, state, or local government funding mechanisms or
6 programs. The board shall reject those projects that appear to improve
7 overall general mobility with limited enhancement for freight mobility.

8 The board shall provide periodic progress reports on its activities
9 to the office of financial management and the (~~legislative~~) senate
10 and house transportation committees.

11 (2) The board may:

12 (a) Accept from any state or federal agency, loans or grants for
13 the financing of any transportation project and enter into agreements
14 with any such agency concerning the loans or grants;

15 (b) Provide technical assistance to project applicants;

16 (c) Accept any gifts, grants, or loans of funds, property, or
17 financial, or other aid in any form from any other source on any terms
18 and conditions which are not in conflict with this chapter;

19 (d) Adopt rules under chapter 34.05 RCW as necessary to carry out
20 the purposes of this chapter; and

21 (e) Do all things necessary or convenient to carry out the powers
22 expressly granted or implied under this chapter.

23 (3) The board shall designate strategic freight corridors within
24 the state. The board shall update the list of designated strategic
25 corridors not less than every two years, and shall establish a method
26 of collecting and verifying data, including information on city and
27 county-owned roadways.

28 (4) (~~From June 11, 1998, through the biennium ending June 30,~~
29 ~~2001,~~) The board shall utilize threshold project eligibility criteria
30 that, at a minimum, includes the following:

31 (a) The project must be on a strategic freight corridor;

32 (b) The project must meet one of the following conditions:

33 (i) It is primarily aimed at reducing identified barriers to
34 freight movement with only incidental benefits to general or personal
35 mobility; or

36 (ii) It is primarily aimed at increasing capacity for the movement
37 of freight with only incidental benefits to general or personal
38 mobility; or

1 (iii) It is primarily aimed at mitigating the impact on communities
2 of increasing freight movement, including roadway/railway conflicts;
3 and

4 (c) The project must have a total public benefit/total public cost
5 ratio of equal to or greater than one.

6 (5) From June 11, 1998, through the biennium ending June 30, 2001,
7 the board shall use the multicriteria analysis and scoring framework
8 for evaluating and ranking eligible freight mobility and freight
9 mitigation projects developed by the freight mobility project
10 prioritization committee and contained in the January 16, 1998, report
11 entitled "Project Eligibility, Priority and Selection Process for a
12 Strategic Freight Investment Program." The prioritization process
13 shall measure the degree to which projects address important program
14 objectives and shall generate a project score that reflects a project's
15 priority compared to other projects. The board shall assign scoring
16 points to each criterion that indicate the relative importance of the
17 criterion in the overall determination of project priority. After June
18 30, 2001, the board may supplement and refine the initial project
19 priority criteria and scoring framework developed by the freight
20 mobility project prioritization committee as expertise and experience
21 is gained in administering the freight mobility program.

22 (6) It is the intent of the legislature that each freight mobility
23 project contained in the project portfolio submitted by the board
24 utilize the greatest amount of nonstate funding possible. The board
25 shall adopt rules that give preference to projects that contain the
26 greatest levels of financial participation from nonprogram fund
27 sources. The board shall consider twenty percent as the minimum
28 partnership contribution, but shall also ensure that there are
29 provisions allowing exceptions for projects that are located in areas
30 where minimal local funding capacity exists or where the magnitude of
31 the project makes the adopted partnership contribution financially
32 unfeasible.

33 (7) The board shall develop and recommend policies that address
34 operational improvements that primarily benefit and enhance freight
35 movement, including, but not limited to, policies that reduce
36 congestion in truck lanes at border crossings and weigh stations and
37 provide for access to ports during nonpeak hours.

1 **Sec. 128.** RCW 47.10.790 and 1985 c 406 s 1 are each amended to
2 read as follows:

3 (1) In order to provide funds for the location, design, right of
4 way, and construction of selected interstate highway improvements,
5 there shall be issued and sold upon the request of the Washington state
6 transportation commission, a total of one hundred million dollars of
7 general obligation bonds of the state of Washington to pay the state's
8 share of costs for completion of state route 90 (state route 5 to state
9 route 405) and other related state highway projects eligible for
10 regular federal interstate funding and until December 31, 1989, to
11 temporarily pay the regular federal share of construction of completion
12 projects on state route 90 (state route 5 to state route 405) and other
13 related state highway projects eligible for regular interstate funding
14 in advance of federal-aid apportionments under the provisions of 23
15 U.S.C. Secs. 115 or 122: PROVIDED, That the total amount of bonds
16 issued to temporarily pay the regular federal share of construction of
17 federal-aid interstate highways in advance of federal-aid
18 apportionments as authorized by this section and RCW 47.10.801 shall
19 not exceed one hundred twenty million dollars: PROVIDED FURTHER, That
20 the transportation commission shall (~~consult with the legislative~~
21 ~~transportation committee prior to the adoption of~~) adopt plans for the
22 obligation of federal-aid apportionments received in federal fiscal
23 year 1985 and subsequent years to pay the regular federal share of
24 federal-aid interstate highway construction projects or to convert such
25 apportionments under the provisions of 23 U.S.C. Secs. 115 or 122.

26 (2) The transportation commission(~~, in consultation with the~~
27 ~~legislative transportation committee,~~) may at any time find and
28 determine that any amount of the bonds authorized in subsection (1) of
29 this section, and not then sold, are no longer required to be issued
30 and sold for the purposes described in subsection (1) of this section.

31 (3) Any bonds authorized by subsection (1) of this section that the
32 transportation commission determines are no longer required for the
33 purpose of paying the cost of the designated interstate highway
34 improvements described therein shall be issued and sold, upon the
35 request of the Washington state transportation commission, to provide
36 funds for the location, design, right of way, and construction of major
37 transportation improvements throughout the state (~~that are identified~~
38 ~~as category C improvements in RCW 47.05.030~~)).

1 **Sec. 129.** RCW 47.10.801 and 1999 c 94 s 13 are each amended to
2 read as follows:

3 (1) In order to provide funds necessary for the location, design,
4 right of way, and construction of selected interstate and other state
5 highway improvements, there shall be issued and sold, subject to
6 subsections (2), (3), and (4) of this section, upon the request of the
7 Washington state transportation commission a total of four hundred
8 sixty million dollars of general obligation bonds of the state of
9 Washington for the following purposes and specified sums:

10 (a) Not to exceed two hundred twenty-five million dollars to pay
11 the state's share of costs for federal-aid interstate highway
12 improvements and until December 31, 1989, to temporarily pay the
13 regular federal share of construction of federal-aid interstate highway
14 improvements to complete state routes 82, 90, 182, and 705 in advance
15 of federal-aid apportionments under the provisions of 23 U.S.C. Secs.
16 115 or 122: PROVIDED, That the total amount of bonds issued to
17 temporarily pay the regular federal share of construction of federal-
18 aid interstate highways in advance of federal-aid apportionments as
19 authorized by this section and RCW 47.10.790 shall not exceed one
20 hundred twenty million dollars: PROVIDED FURTHER, That the
21 transportation commission shall (~~consult with the legislative~~
22 ~~transportation committee prior to the adoption of~~) adopt plans for the
23 obligation of federal-aid apportionments received in federal fiscal
24 year 1985 and subsequent years to pay the regular federal share of
25 federal-aid interstate highway construction projects or to convert such
26 apportionments under the provisions of 23 U.S.C. Secs. 115 or 122;

27 (b) Two hundred twenty-five million dollars for major
28 transportation improvements throughout the state that are identified as
29 category C improvements and for selected major non-interstate
30 construction and reconstruction projects that are included as Category
31 A Improvements (~~in RCW 47.05.030~~);

32 (c) Ten million dollars for state highway improvements necessitated
33 by planned economic development, as determined through the procedures
34 set forth in RCW 43.160.074 and 47.01.280.

35 (2) The amount of bonds authorized in subsection (1)(a) of this
36 section shall be reduced if the transportation commission(~~, in~~
37 ~~consultation with the legislative transportation committee,~~)

1 determines that any of the bonds that have not been sold are no longer
2 required.

3 (3) The amount of bonds authorized in subsection (1)(b) of this
4 section shall be increased by an amount not to exceed, and concurrent
5 with, any reduction of bonds authorized under subsection (1)(a) of this
6 section in the manner prescribed in subsection (2) of this section.

7 (4) The transportation commission may decrease the amount of bonds
8 authorized in subsection (1)(c) of this section and increase the amount
9 of bonds authorized in subsection (1)(a) or (b) of this section, or
10 both by an amount equal to the decrease in subsection (1)(c) of this
11 section. The transportation commission may decrease the amount of
12 bonds authorized in subsection (1)(c) of this section only if the
13 legislature appropriates an equal amount of funds from the motor
14 vehicle fund - basic account for the purposes enumerated in subsection
15 (1)(c) of this section.

16 **Sec. 130.** RCW 47.10.802 and 1986 c 290 s 1 are each amended to
17 read as follows:

18 Upon request being made by the department of transportation
19 (~~(commission)~~), the state finance committee shall supervise and provide
20 for the issuance, sale, and retirement of the bonds authorized by RCW
21 47.10.801 in accordance with chapter 39.42 RCW. The amount of such
22 bonds issued and sold under RCW 47.10.801 through 47.10.809 in any
23 biennium may not exceed the amount of a specific appropriation
24 therefor. Such bonds may be sold from time to time in such amounts as
25 may be necessary for the orderly progress of the state highway
26 improvements specified in RCW 47.10.801. The amount of bonds issued
27 and sold under RCW 47.10.801(1)(a) in any biennium shall not, except as
28 provided in that section, exceed the amount required to match federal-
29 aid interstate funds available to the state of Washington. (~~The~~
30 ~~transportation commission shall give notice of its intent to sell bonds~~
31 ~~to the legislative transportation committee before requesting the state~~
32 ~~finance committee to issue and sell bonds authorized by RCW~~
33 ~~47.10.801(1)(a).~~) The bonds shall be sold in such manner, at such
34 time or times, in such amounts, and at such price or prices as the
35 state finance committee shall determine. The state finance committee
36 may obtain insurance, letters of credit, or other credit facility
37 devices with respect to the bonds and may authorize the execution and

1 delivery of agreements, promissory notes, and other obligations for the
2 purpose of insuring the payment or enhancing the marketability of the
3 bonds. Promissory notes or other obligations issued under this section
4 shall not constitute a debt or the contracting of indebtedness under
5 any constitutional or statutory indebtedness limitation if their
6 payment is conditioned upon the failure of the state to pay the
7 principal of or interest on the bonds with respect to which the
8 promissory notes or other obligations relate. The state finance
9 committee may authorize the issuance of short-term obligations in lieu
10 of long-term obligations for the purposes of more favorable interest
11 rates, lower total interest costs, and increased marketability and for
12 the purposes of retiring the bonds during the life of the project for
13 which they were issued.

14 **Sec. 131.** RCW 47.10.843 and 1998 c 321 s 16 are each amended to
15 read as follows:

16 In order to provide funds necessary for the location, design, right
17 of way, and construction of state and local highway improvements, there
18 shall be issued and sold upon the request of the (~~Washington state~~
19 ~~transportation commission~~) department a maximum of one billion nine
20 hundred million dollars of general obligation bonds of the state of
21 Washington.

22 **Sec. 132.** RCW 47.10.844 and 1998 c 321 s 17 are each amended to
23 read as follows:

24 Upon the request of the (~~transportation commission~~) department,
25 the state finance committee shall supervise and provide for the
26 issuance, sale, and retirement of the bonds authorized by RCW 47.10.843
27 through 47.10.848 in accordance with chapter 39.42 RCW. Bonds
28 authorized by RCW 47.10.843 through 47.10.848 shall be sold in such
29 manner, at such time or times, in such amounts, and at such price as
30 the state finance committee shall determine. No such bonds may be
31 offered for sale without prior legislative appropriation of the net
32 proceeds of the sale of the bonds.

33 The state finance committee shall consider the issuance of short-
34 term obligations in lieu of long-term obligations for the purposes of
35 more favorable interest rates, lower total interest costs, and

1 increased marketability and for the purpose of retiring the bonds
2 during the life of the project for which they were issued.

3 **Sec. 133.** RCW 47.12.200 and 1977 ex.s. c 151 s 55 are each amended
4 to read as follows:

5 The (~~transportation commission~~) department may enter into
6 agreements with the state finance committee for financing the
7 acquisition, by purchase or condemnation, of real property together
8 with engineering costs that the (~~transportation commission~~)
9 department deems will be necessary for the improvement of the state
10 highway system. Such agreements may provide for the acquisition of an
11 individual parcel or for the acquisition of any number of parcels
12 within the limits of a contemplated highway project.

13 **Sec. 134.** RCW 47.12.220 and 1977 ex.s. c 151 s 56 are each amended
14 to read as follows:

15 Each such agreement shall include, but shall not be limited to the
16 following:

- 17 (1) A provision stating the term of the agreement which shall not
18 extend more than seven years from the effective date of the agreement;
- 19 (2) A designation of the specific fund or funds to be used to carry
20 out such agreement;
- 21 (3) A provision that the department of transportation may redeem
22 warrants purchased by the state finance committee at any time prior to
23 the letting of a highway improvement contract utilizing the property;
24 and further, during the effective period of each such agreement the
25 department of transportation shall redeem such warrants whenever such
26 a highway improvement contract is let, or upon the expiration of such
27 agreement, whichever date is earlier;
- 28 (4) A provision stating the rate of interest such warrants shall
29 bear commencing at the time of purchase by the state finance committee;
- 30 (5) Any additional provisions agreed upon by the (~~transportation~~
31 ~~commission~~) department and the state finance committee which are
32 necessary to carry out the purposes of such agreement as indicated by
33 RCW 47.12.180 through 47.12.240(~~(, as now or hereafter amended)~~).

34 **Sec. 135.** RCW 47.12.242 and 1991 c 291 s 1 are each amended to
35 read as follows:

1 The term "advance right of way acquisition" means the acquisition
2 of property and property rights, generally not more than ten years in
3 advance of programmed highway construction projects, together with the
4 engineering costs necessary for such advance right of way acquisition.
5 Any property or property rights purchased must be in designated highway
6 transportation corridors and be for projects approved (~~by the~~
7 ~~commission~~) as part of the state's (~~six-year~~) ten-year plan or
8 included in the state's route development planning effort.

9 **Sec. 136.** RCW 47.12.330 and 1998 c 181 s 2 are each amended to
10 read as follows:

11 For the purpose of environmental mitigation of transportation
12 projects, the department may acquire or develop, or both acquire and
13 develop, environmental mitigation sites in advance of the construction
14 of programmed projects. The term "advanced environmental mitigation"
15 means mitigation of adverse impacts upon the environment from
16 transportation projects before their design and construction. Advanced
17 environmental mitigation consists of the acquisition of property; the
18 acquisition of property, water, or air rights; the development of
19 property for the purposes of improved environmental management;
20 engineering costs necessary for such purchase and development; and the
21 use of advanced environmental mitigation sites to fulfill project
22 environmental permit requirements. Advanced environmental mitigation
23 must be conducted in a manner that is consistent with the definition of
24 mitigation found in the council of environmental quality regulations
25 (40 C.F.R. Sec. 1508.20) and the governor's executive order on wetlands
26 (EO 90-04). Advanced environmental mitigation is for projects approved
27 by the transportation commission as part of the state's (~~six-year~~)
28 ten-year plan or included in the state highway system plan. Advanced
29 environmental mitigation must give consideration to activities related
30 to fish passage, fish habitat, wetlands, and flood management.
31 Advanced environmental mitigation may also be conducted in partnership
32 with federal, state, or local government agencies, tribal governments,
33 interest groups, or private parties. Partnership arrangements may
34 include joint acquisition and development of mitigation sites,
35 purchasing and selling mitigation bank credits among participants, and
36 transfer of mitigation site title from one party to another. Specific

1 conditions of partnership arrangements will be developed in written
2 agreements for each applicable environmental mitigation site.

3 **Sec. 137.** RCW 47.17.850 and 1984 c 7 s 139 are each amended to
4 read as follows:

5 A state highway to be known as state route number 906 is
6 established as follows:

7 Beginning at a junction with state route number 90 at the West
8 Summit interchange of Snoqualmie Pass, thence along the alignment of
9 the state route number 90 as it existed on May 11, 1967, in a
10 southeasterly direction to a junction with state route number 90 at the
11 Hyak interchange.

12 ~~((The legislative transportation committee, the house and senate
13 transportation committees, and the department shall undertake
14 appropriate studies to evaluate state route number 906 to determine
15 whether or not it should permanently remain on the state system.))~~

16 **Sec. 138.** RCW 47.26.167 and 1991 c 342 s 62 are each amended to
17 read as follows:

18 The legislature recognizes the need for a multijurisdictional body
19 to review future requests for jurisdictional transfers. The board is
20 hereby directed, beginning September 1, 1991, to receive petitions from
21 cities, counties, or the state requesting any addition or deletion from
22 the state highway system. The board is required to utilize the
23 criteria established in RCW 47.17.001 in evaluating petitions and to
24 adopt rules for implementation of this process. The board shall
25 forward to the ~~((legislative))~~ senate and house transportation
26 committees by November 15 each year any recommended jurisdictional
27 transfers.

28 **Sec. 139.** RCW 47.26.170 and 1994 c 179 s 16 are each amended to
29 read as follows:

30 Each county having within its boundaries an urban area and cities
31 and towns shall prepare and submit to the transportation improvement
32 board arterial inventory data required to determine the long-range
33 arterial construction needs. The counties, cities, and towns shall
34 revise the arterial inventory data every four years to show the current
35 arterial construction needs through the advanced planning period, and

1 as revised shall submit them to the transportation improvement board
2 during the first week of January every four years beginning in 1996.
3 The inventory data shall be prepared pursuant to guidelines established
4 by the transportation improvement board. As information is updated, it
5 shall be made available to the commission (~~and the legislative~~
6 ~~transportation committee~~)).

7 **Sec. 140.** RCW 47.46.030 and 2002 c 114 s 3 are each amended to
8 read as follows:

9 (1) The secretary or a designee shall solicit proposals from, and
10 negotiate and enter into agreements with, private entities to undertake
11 as appropriate, together with the department and other public entities,
12 all or a portion of the study, planning, design, construction,
13 operation, and maintenance of transportation systems and facilities,
14 using in whole or in part public or private sources of financing.

15 The public-private initiatives program may develop up to six
16 demonstration projects. Each proposal shall be weighed on its own
17 merits, and each of the six agreements shall be negotiated
18 individually, and as a stand-alone project.

19 (2) If project proposals selected prior to September 1, 1994, are
20 terminated by the public or private sectors, the department shall not
21 select any new projects, including project proposals submitted to the
22 department prior to September 1, 1994, and designated by the
23 transportation commission as placeholder projects, after June 16, 1995,
24 until June 30, 1997.

25 The department, in consultation with the legislative transportation
26 committee, shall conduct a program and fiscal audit of the public-
27 private initiatives program for the biennium ending June 30, 1997. The
28 department shall submit a progress report to the legislative
29 transportation committee on the program and fiscal audit by June 30,
30 1996, with preliminary and final audit reports due December 1, 1996,
31 and June 30, 1997, respectively.

32 The department shall develop and submit a proposed public
33 involvement plan to the 1997 legislature to identify the process for
34 selecting new potential projects and the associated costs of
35 implementing the plan. The legislature must adopt the public
36 involvement plan before the department may proceed with any activity

1 related to project identification and selection. Following legislative
2 adoption of the public involvement plan, the department is authorized
3 to implement the plan and to identify potential new projects.

4 The public involvement plan for projects selected after June 30,
5 1997, shall, at a minimum, identify projects that: (a) Have the
6 potential of achieving overall public support among users of the
7 projects, residents of communities in the vicinity of the projects, and
8 residents of communities impacted by the projects; (b) meet a state
9 transportation need; (c) provide a significant state benefit; and (d)
10 provide competition among proposers and maximum cost benefits to users.
11 Prospective projects may include projects identified by the department
12 or submitted by the private sector.

13 Projects that meet the minimum criteria established under this
14 section and the requirements of the public involvement plan developed
15 by the department and approved by the legislature shall be submitted to
16 the Washington state transportation commission for its review. (~~The~~
17 ~~commission, in turn, shall submit a list of eligible projects to the~~
18 ~~legislative transportation committee for its consideration.~~) Forty-
19 five days after the submission to the (~~legislative transportation~~
20 ~~committee~~) commission of the list of eligible projects, the secretary
21 is authorized to solicit proposals for the eligible project.

22 (3) Prior to entering into agreements with private entities under
23 the requirements of RCW 47.46.040 for any project proposal selected
24 before September 1, 1994, or after June 30, 1997, except as provided
25 for in subsections (~~(+12+)~~) (11) and (~~(+13+)~~) (12) of this section, the
26 department shall require an advisory vote as provided under subsections
27 (5) through (~~(+10+)~~) (9) of this section.

28 (4) The advisory vote shall apply to project proposals selected
29 prior to September 1, 1994, or after June 30, 1997, that receive public
30 opposition as demonstrated by the submission to the department of
31 original petitions bearing at least five thousand signatures of
32 individuals opposing the project collected and submitted in accordance
33 with the dates established in subsections (~~(+12+)~~) (11) and (~~(+13+)~~)
34 (12) of this section. The advisory vote shall be on the preferred
35 alternative identified under the requirements of chapter 43.21C RCW
36 and, if applicable, the national environmental policy act, 42 U.S.C.
37 4321 et seq. The execution by the department of the advisory vote
38 process established in this section is subject to the prior

1 appropriation of funds by the legislature for the purpose of conducting
2 environmental impact studies, a public involvement program, local
3 involvement committee activities, traffic and economic impact analyses,
4 engineering and technical studies, and the advisory vote.

5 (5) In preparing for the advisory vote, the department shall
6 conduct a comprehensive analysis of traffic patterns and economic
7 impact to define the geographical boundary of the project area that is
8 affected by the imposition of tolls or user fees authorized under this
9 chapter. The area so defined is referred to in this section as the
10 affected project area. In defining the affected project area, the
11 department shall, at a minimum, undertake: (a) A comparison of the
12 estimated percentage of residents of communities in the vicinity of the
13 project and in other communities impacted by the project who could be
14 subject to tolls or user fees and the estimated percentage of other
15 users and transient traffic that could be subject to tolls or user
16 fees; (b) an analysis of the anticipated traffic diversion patterns;
17 (c) an analysis of the potential economic impact resulting from
18 proposed toll rates or user fee rates imposed on residents, commercial
19 traffic, and commercial entities in communities in the vicinity of and
20 impacted by the project; (d) an analysis of the economic impact of
21 tolls or user fees on the price of goods and services generally; and
22 (e) an analysis of the relationship of the project to state
23 transportation needs and benefits.

24 (6)(a) After determining the definition of the affected project
25 area, the department shall establish a committee comprised of
26 individuals who represent cities and counties in the affected project
27 area; organizations formed to support or oppose the project; and users
28 of the project. The committee shall be named the public-private local
29 involvement committee, and be known as the local involvement committee.

30 (b) The members of the local involvement committee shall be: (i)
31 An elected official from each city within the affected project area;
32 (ii) an elected official from each county within the affected project
33 area; (iii) two persons from each county within the affected project
34 area who represent an organization formed in support of the project, if
35 the organization exists; (iv) two persons from each county within the
36 affected project area who represent an organization formed to oppose
37 the project, if the organization exists; and (v) four public members
38 active in a statewide transportation organization. If the committee

1 makeup results in an even number of committee members, there shall be
2 an additional appointment of an elected official from the county in
3 which all, or the greatest portion of the project is located.

4 (c) City and county elected officials shall be appointed by a
5 majority of the members of the city or county legislative authorities
6 of each city or county within the affected project area, respectively.
7 The county legislative authority of each county within the affected
8 project area shall identify and validate organizations officially
9 formed in support of or in opposition to the project and shall make the
10 appointments required under this section from a list submitted by the
11 chair of the organizations. Public members shall be appointed by the
12 governor. All appointments to the local involvement committee shall be
13 made and submitted to the department of transportation no later than
14 January 1, 1996, for projects selected prior to September 1, 1994, and
15 no later than thirty days after the affected project area is defined
16 for projects selected after June 30, 1997. Vacancies in the membership
17 of the local involvement committee shall be filled by the appointing
18 authority under (b)(i) through (v) of this subsection for each position
19 on the committee.

20 (d) The local involvement committee shall serve in an advisory
21 capacity to the department on all matters related to the execution of
22 the advisory vote.

23 (e) Members of the local involvement committee serve without
24 compensation and may not receive subsistence, lodging expenses, or
25 travel expenses.

26 (7) The department shall conduct a minimum thirty-day public
27 comment period on the definition of the geographical boundary of the
28 project area. The department, in consultation with the local
29 involvement committee, shall make adjustments, if required, to the
30 definition of the geographical boundary of the affected project area,
31 based on comments received from the public. Within fourteen calendar
32 days after the public comment period, the department shall set the
33 boundaries of the affected project area in units no smaller than a
34 precinct as defined in RCW (~~(29.01.120)~~) 29A.04.121.

35 (8) The department, in consultation with the local involvement
36 committee, shall develop a description for selected project proposals.
37 After developing the description of the project proposal, the
38 department shall publish the project proposal description in newspapers

1 of general circulation for seven calendar days in the affected project
2 area. Within fourteen calendar days after the last day of the
3 publication of the project proposal description, the department shall
4 transmit a copy of the map depicting the affected project area and the
5 description of the project proposal to the county auditor of the county
6 in which any portion of the affected project area is located.

7 ~~(9) ((The department shall provide the legislative transportation
8 committee with progress reports on the status of the definition of the
9 affected project area and the description of the project proposal.~~

10 ~~(10))~~ Upon receipt of the map and the description of the project
11 proposal, the county auditor shall, within thirty days, verify the
12 precincts that are located within the affected project area. The
13 county auditor shall prepare the text identifying and describing the
14 affected project area and the project proposal using the definition of
15 the geographical boundary of the affected project area and the project
16 description submitted by the department and shall set an election date
17 for the submission of a ballot proposition authorizing the imposition
18 of tolls or user fees to implement the proposed project within the
19 affected project area, which date may be the next succeeding general
20 election to be held in the state, or at a special election, if
21 requested by the department. The text of the project proposal must
22 appear in a voter's pamphlet for the affected project area. The
23 department shall pay the costs of publication and distribution. The
24 special election date must be the next date for a special election
25 provided under RCW ~~((29.13.020))~~ 29A.04.330 that is at least sixty days
26 but, if authorized under RCW ~~((29.13.020))~~ 29A.04.330, no more than
27 ninety days after the receipt of the final map and project description
28 by the auditor. The department shall pay the cost of an election held
29 under this section.

30 ~~((11))~~ (10) Notwithstanding any other provision of law, the
31 department may contract with a private developer of a selected project
32 proposal to conduct environmental impact studies, a public involvement
33 program, and engineering and technical studies funded by the
34 legislature. For projects subject to this subsection, the department
35 shall not enter into an agreement under RCW 47.46.040 prior to the
36 advisory vote on the preferred alternative.

37 ~~((12))~~ (11) Subsections (5) through ~~((10))~~ (9) of this section
38 shall not apply to project proposals selected prior to September 1,

1 1994, that have no organized public opposition as demonstrated by the
2 submission to the department of original petitions bearing at least
3 five thousand signatures of individuals opposing the project, collected
4 and submitted after September 1, 1994, and by thirty calendar days
5 after June 16, 1995.

6 ~~((+13+))~~ (12) Subsections (5) through ~~((+10+))~~ (9) of this section
7 shall not apply to project proposals selected after June 30, 1997, that
8 have no organized public opposition as demonstrated by the submission
9 to the department of original petitions bearing at least five thousand
10 signatures of individuals opposing the project, collected and submitted
11 by ninety calendar days after project selection.

12 **Sec. 141.** RCW 47.46.040 and 2002 c 114 s 16 are each amended to
13 read as follows:

14 (1) The secretary or a designee shall consult with legal,
15 financial, and other experts within and outside state government in the
16 negotiation and development of the agreements.

17 (2) Agreements may provide for private ownership of the projects
18 during the construction period. After completion and final acceptance
19 of each project or discrete segment thereof, the agreement may provide
20 for state ownership of the transportation systems and facilities and
21 lease to the private entity unless the state elects to provide for
22 ownership of the facility by the private entity during the term of the
23 agreement.

24 The state may lease each of the demonstration projects, or
25 applicable project segments, to the private entities for operating
26 purposes for up to fifty years.

27 (3) The department may exercise any power possessed by it to
28 facilitate the development, construction, financing operation, and
29 maintenance of transportation projects under this section. Agreements
30 for maintenance services entered into under this section shall provide
31 for full reimbursement for services rendered by the department or other
32 state agencies. Agreements for police services for projects, involving
33 state highway routes, developed under agreements shall be entered into
34 with the Washington state patrol. The agreement for police services
35 shall provide that the state patrol will be reimbursed for costs on a
36 comparable basis with the costs incurred for comparable service on
37 other state highway routes. The department may provide services for

1 which it is reimbursed, including but not limited to preliminary
2 planning, environmental certification, and preliminary design of the
3 demonstration projects.

4 (4) The plans and specifications for each project constructed under
5 this section shall comply with the department's standards for state
6 projects. A facility constructed by and leased to a private entity is
7 deemed to be a part of the state highway system for purposes of
8 identification, maintenance, and enforcement of traffic laws and for
9 the purposes of applicable sections of this title. Upon reversion of
10 the facility to the state, the project must meet all applicable state
11 standards. Agreements shall address responsibility for reconstruction
12 or renovations that are required in order for a facility to meet all
13 applicable state standards upon reversion of the facility to the state.

14 (5) For the purpose of facilitating these projects and to assist
15 the private entity in the financing, development, construction, and
16 operation of the transportation systems and facilities, the agreements
17 may include provisions for the department to exercise its authority,
18 including the lease of facilities, rights of way, and airspace,
19 exercise of the power of eminent domain, granting of development rights
20 and opportunities, granting of necessary easements and rights of
21 access, issuance of permits and other authorizations, protection from
22 competition, remedies in the event of default of either of the parties,
23 granting of contractual and real property rights, liability during
24 construction and the term of the lease, authority to negotiate
25 acquisition of rights of way in excess of appraised value, and any
26 other provision deemed necessary by the secretary.

27 (6) The agreements entered into under this section may include
28 provisions authorizing the state to grant necessary easements and lease
29 to a private entity existing rights of way or rights of way
30 subsequently acquired with public or private financing. The agreements
31 may also include provisions to lease to the entity airspace above or
32 below the right of way associated or to be associated with the private
33 entity's transportation facility. In consideration for the reversion
34 rights in these privately constructed facilities, the department may
35 negotiate a charge for the lease of airspace rights during the term of
36 the agreement for a period not to exceed fifty years. If, after the
37 expiration of this period, the department continues to lease these
38 airspace rights to the private entity, it shall do so only at fair

1 market value. The agreement may also provide the private entity the
2 right of first refusal to undertake projects utilizing airspace owned
3 by the state in the vicinity of the public-private project.

4 (7) Agreements under this section may include any contractual
5 provision that is necessary to protect the project revenues required to
6 repay the costs incurred to study, plan, design, finance, acquire,
7 build, install, operate, enforce laws, and maintain toll highways,
8 bridges, and tunnels and which will not unreasonably inhibit or
9 prohibit the development of additional public transportation systems
10 and facilities. Agreements under this section must secure and maintain
11 liability insurance coverage in amounts appropriate to protect the
12 project's viability and may address state indemnification of the
13 private entity for design and construction liability where the state
14 has approved relevant design and construction plans.

15 (8) Agreements entered into under this section shall include a
16 process that provides for public involvement in decision making with
17 respect to the development of the projects.

18 (9)(a) In carrying out the public involvement process required in
19 subsection (8) of this section, the private entity shall proactively
20 seek public participation through a process appropriate to the
21 characteristics of the project that assesses and demonstrates public
22 support among: Users of the project, residents of communities in the
23 vicinity of the project, and residents of communities impacted by the
24 project.

25 (b) The private entity shall conduct a comprehensive public
26 involvement process that provides, periodically throughout the
27 development and implementation of the project, users and residents of
28 communities in the affected project area an opportunity to comment upon
29 key issues regarding the project including, but not limited to: (i)
30 Alternative sizes and scopes; (ii) design; (iii) environmental
31 assessment; (iv) right of way and access plans; (v) traffic impacts;
32 (vi) tolling or user fee strategies and tolling or user fee ranges;
33 (vii) project cost; (viii) construction impacts; (ix) facility
34 operation; and (x) any other salient characteristics.

35 (c) If the affected project area has not been defined, the private
36 entity shall define the affected project area by conducting, at a
37 minimum: (i) A comparison of the estimated percentage of residents of
38 communities in the vicinity of the project and in other communities

1 impacted by the project who could be subject to tolls or user fees and
2 the estimated percentage of other users and transient traffic that
3 could be subject to tolls or user fees; (ii) an analysis of the
4 anticipated traffic diversion patterns; (iii) an analysis of the
5 potential economic impact resulting from proposed toll rates or user
6 fee rates imposed on residents, commercial traffic, and commercial
7 entities in communities in the vicinity of and impacted by the project;
8 (iv) an analysis of the economic impact of tolls or user fees on the
9 price of goods and services generally; and (v) an analysis of the
10 relationship of the project to state transportation needs and benefits.

11 The agreement may require an advisory vote by users of and
12 residents in the affected project area.

13 (d) In seeking public participation, the private entity shall
14 establish a local involvement committee or committees comprised of
15 residents of the affected project area, individuals who represent
16 cities and counties in the affected project area, organizations formed
17 to support or oppose the project, if such organizations exist, and
18 users of the project. The private entity shall, at a minimum,
19 establish a committee as required under the specifications of RCW
20 47.46.030(6)(b) (ii) and (iii) and appointments to such committee shall
21 be made no later than thirty days after the project area is defined.

22 (e) Local involvement committees shall act in an advisory capacity
23 to the department and the private entity on all issues related to the
24 development and implementation of the public involvement process
25 established under this section.

26 (f) The department and the private entity shall provide the
27 (~~legislative transportation committee and~~) local involvement
28 committees with progress reports on the status of the public
29 involvement process including the results of an advisory vote, if any
30 occurs.

31 (10) Nothing in this chapter limits the right of the secretary and
32 his or her agents to render such advice and to make such
33 recommendations as they deem to be in the best interests of the state
34 and the public.

35 **Sec. 142.** RCW 79A.05.125 and 1999 c 301 s 3 are each amended to
36 read as follows:

37 (1) The department of transportation shall negotiate a franchise

1 with a rail carrier to establish and maintain a rail line over portions
2 of the Milwaukee Road corridor owned by the state between Ellensburg
3 and Lind. The department of transportation may negotiate such a
4 franchise with any qualified rail carrier. Criteria for negotiating
5 the franchise and establishing the right of way include:

6 (a) Assurances that resources from the franchise will be sufficient
7 to compensate the state for use of the property, including completion
8 of a cross-state trail between Easton and the Idaho border;

9 (b) Types of payment for use of the franchise, including payment
10 for the use of federally granted trust lands in the transportation
11 corridor;

12 (c) Standards for maintenance of the line;

13 (d) Provisions ensuring that both the conventional and intermodal
14 rail service needs of local shippers are met. Such accommodations may
15 comprise agreements with the franchisee to offer or maintain adequate
16 service or to provide service by other carriers at commercially
17 reasonable rates;

18 (e) Provisions requiring the franchisee, upon reasonable request of
19 any other rail operator, to provide rail service and interchange
20 freight over what is commonly known as the Stampede Pass rail line from
21 Cle Elum to Auburn at commercially reasonable rates;

22 (f) If any part of the franchise agreement is invalidated by
23 actions or rulings of the federal surface transportation board or a
24 court of competent jurisdiction, the remaining portions of the
25 franchise agreement are not affected;

26 (g) Compliance with environmental standards; and

27 (h) Provisions for insurance and the coverage of liability.

28 (2) The franchise may provide for periodic review of financial
29 arrangements under the franchise.

30 (3) The department of transportation, in consultation with the
31 parks and recreation commission and the ((legislative)) senate and
32 house transportation committees, shall negotiate the terms of the
33 franchise, and shall present the agreement to the parks and recreation
34 commission for approval of as to terms and provisions affecting the
35 cross-state trail or affecting the commission.

36 (4) This section expires July 1, 2006, if the department of
37 transportation does not enter into a franchise agreement for a rail
38 line over portions of the Milwaukee Road corridor by July 1, 2006.

1 **Sec. 143.** RCW 81.80.395 and 1988 c 138 s 1 are each amended to
2 read as follows:

3 The Washington utilities and transportation commission may enter
4 into an agreement or arrangement with a duly authorized representative
5 of the state of Idaho, for the purpose of granting to operators of
6 commercial vehicles that are properly registered in the state of Idaho,
7 the privilege of operating their vehicles in this state within a
8 designated area near the border of their state without the need for
9 registration as required by chapter 81.80 RCW if the state of Idaho
10 grants a similar privilege to operators of commercial vehicles from
11 this state. The initial designated area shall be limited to state
12 route 195 from the Idaho border to Lewiston, and SR 12 from Lewiston to
13 Clarkston. ~~((The utilities and transportation commission shall submit
14 other proposed reciprocal agreements in designated border areas to the
15 legislative transportation committee for approval.))~~

16 **Sec. 144.** RCW 81.104.110 and 1998 c 245 s 165 are each amended to
17 read as follows:

18 The legislature recognizes that the planning processes described in
19 RCW 81.104.100 provide a recognized framework for guiding high capacity
20 transportation studies. However, the process cannot guarantee
21 appropriate decisions unless key study assumptions are reasonable.

22 To assure appropriate system plan assumptions and to provide for
23 review of system plan results, an expert review panel shall be
24 appointed to provide independent technical review for development of
25 any system plan which is to be funded in whole or in part by the
26 imposition of any voter-approved local option funding sources
27 enumerated in RCW 81.104.140.

28 (1) The expert review panel shall consist of five to ten members
29 who are recognized experts in relevant fields, such as transit
30 operations, planning, emerging transportation technologies,
31 engineering, finance, law, the environment, geography, economics, and
32 political science.

33 (2) The expert review panel shall be selected cooperatively by the
34 chairs of the ~~((legislative))~~ senate and house transportation
35 committees, the secretary of the department of transportation, and the
36 governor to assure a balance of disciplines. In the case of counties

1 adjoining another state or Canadian province the expert review panel
2 membership shall be selected cooperatively with representatives of the
3 adjoining state or Canadian province.

4 (3) The chair of the expert review panel shall be designated by the
5 appointing authorities.

6 (4) The expert review panel shall serve without compensation but
7 shall be reimbursed for expenses according to (~~chapter 43.03~~) RCW
8 43.03.050 and 43.03.060. Reimbursement shall be paid from within the
9 existing resources of the local authority planning under this chapter.

10 (5) The panel shall carry out the duties set forth in subsections
11 (6) and (7) of this section until the date on which an election is held
12 to consider the high capacity transportation system and financing
13 plans. (~~Funds appropriated for expenses of the expert panel shall be~~
14 ~~administered by the department of transportation.~~)

15 (6) The expert panel shall review all reports required in RCW
16 81.104.100(2) and shall concentrate on service modes and concepts,
17 costs, patronage and financing evaluations.

18 (7) The expert panel shall provide timely reviews and comments on
19 individual reports and study conclusions to the department of
20 transportation, the regional transportation planning organization, the
21 joint regional policy committee, and the submitting lead transit
22 agency. In the case of counties adjoining another state or Canadian
23 province, the expert review panel shall provide its reviews, comments,
24 and conclusions to the representatives of the adjoining state or
25 Canadian province.

26 (8) The (~~legislative transportation committee~~) local authority
27 planning under this chapter shall contract for consulting services for
28 expert review panels. The amount of consultant support shall be
29 negotiated with each expert review panel by the (~~legislative~~
30 ~~transportation committee~~) local authority and shall be paid from
31 (~~appropriations for that purpose from the high capacity transportation~~
32 ~~account~~) within the local authority's existing resources.

33 **Sec. 145.** RCW 82.33.020 and 1992 c 231 s 34 are each amended to
34 read as follows:

35 (1) Four times each year the supervisor shall prepare, subject to
36 the approval of the economic and revenue forecast council under RCW
37 82.33.010:

- 1 (a) An official state economic and revenue forecast;
2 (b) An unofficial state economic and revenue forecast based on
3 optimistic economic and revenue projections; and
4 (c) An unofficial state economic and revenue forecast based on
5 pessimistic economic and revenue projections.

6 (2) The supervisor shall submit forecasts prepared under this
7 section, along with any unofficial forecasts provided under RCW
8 82.33.010, to the governor and the members of the committees on ways
9 and means and the chairs of the committees on transportation of the
10 senate and house of representatives (~~and the chair of the legislative~~
11 ~~transportation committee~~), including one copy to the staff of each of
12 the committees, on or before November 20th, February 20th in the even-
13 numbered years, March 20th in the odd-numbered years, June 20th, and
14 September 20th. All forecasts shall include both estimated receipts
15 and estimated revenues in conformance with generally accepted
16 accounting principles as provided by RCW 43.88.037.

17 (3) All agencies of state government shall provide to the
18 supervisor immediate access to all information relating to economic and
19 revenue forecasts. Revenue collection information shall be available
20 to the supervisor the first business day following the conclusion of
21 each collection period.

22 (4) The economic and revenue forecast supervisor and staff shall
23 co-locate and share information, data, and files with the tax research
24 section of the department of revenue but shall not duplicate the duties
25 and functions of one another.

26 (5) As part of its forecasts under subsection (1) of this section,
27 the supervisor shall provide estimated revenue from tuition fees as
28 defined in RCW 28B.15.020.

29 **Sec. 146.** RCW 82.70.060 and 2003 c 364 s 6 are each amended to
30 read as follows:

31 The commute trip reduction task force shall determine the
32 effectiveness of the tax credit under RCW 82.70.020, the grant program
33 in RCW 70.94.996, and the relative effectiveness of the tax credit and
34 the grant program as part of its ongoing evaluation of the commute trip
35 reduction law and report to the (~~legislative~~) senate and house
36 transportation committees and to the fiscal committees of the house of
37 representatives and the senate. The report must include information on

1 the amount of tax credits claimed to date and recommendations on future
2 funding between the tax credit program and the grant program. The
3 report must be incorporated into the recommendations required in RCW
4 70.94.537(5).

5 **Sec. 147.** RCW 82.80.070 and 2002 c 56 s 413 are each amended to
6 read as follows:

7 (1) The proceeds collected pursuant to the exercise of the local
8 option authority of RCW 82.80.010, (~~(82.80.020,)~~) 82.80.030, and
9 82.80.050 (hereafter called "local option transportation revenues")
10 shall be used for transportation purposes only, including but not
11 limited to the following: The operation and preservation of roads,
12 streets, and other transportation improvements; new construction,
13 reconstruction, and expansion of city streets, county roads, and state
14 highways and other transportation improvements; development and
15 implementation of public transportation and high-capacity transit
16 improvements and programs; and planning, design, and acquisition of
17 right of way and sites for such transportation purposes. The proceeds
18 collected from excise taxes on the sale, distribution, or use of motor
19 vehicle fuel and special fuel under RCW 82.80.010 shall be used
20 exclusively for "highway purposes" as that term is construed in Article
21 II, section 40 of the state Constitution.

22 (2) The local option transportation revenues shall be expended for
23 transportation uses consistent with the adopted transportation and land
24 use plans of the jurisdiction expending the funds and consistent with
25 any applicable and adopted regional transportation plan for
26 metropolitan planning areas.

27 (3) Each local government with a population greater than eight
28 thousand that levies or expends local option transportation funds, is
29 also required to develop and adopt a specific transportation program
30 that contains the following elements:

31 (a) The program shall identify the geographic boundaries of the
32 entire area or areas within which local option transportation revenues
33 will be levied and expended.

34 (b) The program shall be based on an adopted transportation plan
35 for the geographic areas covered and shall identify the proposed
36 operation and construction of transportation improvements and services

1 in the designated plan area intended to be funded in whole or in part
2 by local option transportation revenues and shall identify the annual
3 costs applicable to the program.

4 (c) The program shall indicate how the local transportation plan is
5 coordinated with applicable transportation plans for the region and for
6 adjacent jurisdictions.

7 (d) The program shall include at least a six-year funding plan,
8 updated annually, identifying the specific public and private sources
9 and amounts of revenue necessary to fund the program. The program
10 shall include a proposed schedule for construction of projects and
11 expenditure of revenues. The funding plan shall consider the
12 additional local tax revenue estimated to be generated by new
13 development within the plan area if all or a portion of the additional
14 revenue is proposed to be earmarked as future appropriations for
15 transportation improvements in the program.

16 (4) Local governments with a population greater than eight thousand
17 exercising the authority for local option transportation funds shall
18 periodically review and update their transportation program to ensure
19 that it is consistent with applicable local and regional transportation
20 and land use plans and within the means of estimated public and private
21 revenue available.

22 (5) In the case of expenditure for new or expanded transportation
23 facilities, improvements, and services, priorities in the use of local
24 option transportation revenues shall be identified in the
25 transportation program and expenditures shall be made based upon the
26 following criteria, which are stated in descending order of weight to
27 be attributed:

28 (a) First, the project serves a multijurisdictional function;

29 (b) Second, it is necessitated by existing or reasonably
30 foreseeable congestion;

31 (c) Third, it has the greatest person-carrying capacity;

32 (d) Fourth, it is partially funded by other government funds, such
33 as from the state transportation improvement board, or by private
34 sector contributions, such as those from the local transportation act,
35 chapter 39.92 RCW; and

36 (e) Fifth, it meets such other criteria as the local government
37 determines is appropriate.

1 (6) It is the intent of the legislature that as a condition of
2 levying, receiving, and expending local option transportation revenues,
3 no local government agency use the revenues to replace, divert, or loan
4 any revenues currently being used for transportation purposes to
5 nontransportation purposes. (~~The association of Washington cities and
6 the Washington state association of counties, in consultation with the
7 legislative transportation committee, shall study the issue of
8 nondiversion and make recommendations to the legislative transportation
9 committee for language implementing the intent of this section by
10 December 1, 1990.~~)

11 (7) Local governments are encouraged to enter into interlocal
12 agreements to jointly develop and adopt with other local governments
13 the transportation programs required by this section for the purpose of
14 accomplishing regional transportation planning and development.

15 (8) Local governments may use all or a part of the local option
16 transportation revenues for the amortization of local government
17 general obligation and revenue bonds issued for transportation purposes
18 consistent with the requirements of this section.

19 (9) Subsections (1) through (8) of this section do not apply to a
20 regional transportation investment district imposing a tax or fee under
21 the local option authority of this chapter. Proceeds collected under
22 the exercise of local option authority under this chapter by a district
23 must be used in accordance with chapter 36.120 RCW.

24 **Sec. 148.** RCW 90.03.525 and 1996 c 285 s 1 and 1996 c 230 s 1617
25 are each reenacted and amended to read as follows:

26 (1) The rate charged by a local government utility to the
27 department of transportation with respect to state highway right of way
28 or any section of state highway right of way for the construction,
29 operation, and maintenance of storm water control facilities under
30 chapters 35.67, 35.92, 36.89, 36.94, 57.08, and 86.15 RCW, shall be
31 thirty percent of the rate for comparable real property, except as
32 otherwise provided in this section. The rate charged to the department
33 with respect to state highway right of way or any section of state
34 highway right of way within a local government utility's jurisdiction
35 shall not, however, exceed the rate charged for comparable city street
36 or county road right of way within the same jurisdiction. The
37 legislature finds that the aforesaid rates are presumptively fair and

1 equitable because of the traditional and continuing expenditures of the
2 department of transportation for the construction, operation, and
3 maintenance of storm water control facilities designed to control
4 surface water or storm water runoff from state highway rights of way.

5 (2) Charges paid under subsection (1) of this section by the
6 department of transportation must be used solely for storm water
7 control facilities that directly reduce state highway runoff impacts or
8 implementation of best management practices that will reduce the need
9 for such facilities. By January 1st of each year, beginning with
10 calendar year 1997, the local government utility, in coordination with
11 the department, shall develop a plan for the expenditure of the charges
12 for that calendar year. The plan must be consistent with the
13 objectives identified in RCW 90.78.010. In addition, beginning with
14 the submittal for 1998, the utility shall provide a progress report on
15 the use of charges assessed for the prior year. No charges may be paid
16 until the plan and report have been submitted to the department.

17 (3) The utility imposing the charge and the department of
18 transportation may, however, agree to either higher or lower rates with
19 respect to the construction, operation, or maintenance of any specific
20 storm water control facilities based upon the annual plan prescribed in
21 subsection (2) of this section. ~~((If a different rate is agreed to, a
22 report so stating shall be submitted to the legislative transportation
23 committee.))~~ If, after mediation, the local government utility and the
24 department of transportation cannot agree upon the proper rate, ~~((and
25 after a report has been submitted to the legislative transportation
26 committee and after ninety days from submission of such report,))~~
27 either may commence an action in the superior court for the county in
28 which the state highway right of way is located to establish the proper
29 rate. The court in establishing the proper rate shall take into
30 account the extent and adequacy of storm water control facilities
31 constructed by the department and the actual benefits to the sections
32 of state highway rights of way from storm water control facilities
33 constructed, operated, and maintained by the local government utility.
34 Control of surface water runoff and storm water runoff from state
35 highway rights of way shall be deemed an actual benefit to the state
36 highway rights of way. The rate for sections of state highway right of
37 way as determined by the court shall be set forth in terms of the

1 percentage of the rate for comparable real property, but shall in no
2 event exceed the rate charged for comparable city street or county road
3 right of way within the same jurisdiction.

4 (4) The legislature finds that the federal clean water act
5 (national (~~pollution~~[~~pollutant~~])) pollutant discharge elimination
6 system, 40 C.F.R. parts 122-124), the state water pollution control
7 act, chapter 90.48 RCW, and the highway runoff program under chapter
8 (~~90.70~~) 90.71 RCW, mandate the treatment and control of storm water
9 runoff from state highway rights of way owned by the department of
10 transportation. Appropriations made by the legislature to the
11 department of transportation for the construction, operation, and
12 maintenance of storm water control facilities are intended to address
13 applicable federal and state mandates related to storm water control
14 and treatment. This section is not intended to limit opportunities for
15 sharing the costs of storm water improvements between cities, counties,
16 and the state.

17 **Technical**

18 NEW SECTION. **Sec. 149.** RCW 44.75.010, 44.75.020, 44.75.030,
19 44.75.040, 44.75.050, 44.75.060, 44.75.070, 44.75.080, 44.75.090,
20 44.75.100, 44.75.110, 44.75.120, 44.75.800, 44.75.900, and 44.75.901
21 and section 20 of this act are codified or recodified as a new chapter
22 in Title 47 RCW.

23 NEW SECTION. **Sec. 150.** The following acts or parts of acts are
24 each repealed:

25 (1) RCW 44.40.010 (Creation--Composition--Appointments--
26 Vacancies--Rules) and 1999 sp.s. c 1 s 616, 1980 c 87 s 39, 1971 ex.s.
27 c 195 s 1, 1967 ex.s. c 145 s 68, 1965 ex.s. c 170 s 64, & 1963 ex.s.
28 c 3 s 35;

29 (2) RCW 44.40.013 (Administration) and 2001 c 259 s 5;

30 (3) RCW 44.40.015 (Executive committee--Selection--Duties) and 2001
31 c 259 s 6 & 1999 sp.s. c 1 s 617;

32 (4) RCW 44.40.030 (Participation in activities of other
33 organizations) and 1982 c 227 s 17, 1977 ex.s. c 235 s 7, 1971 ex.s. c
34 195 s 3, & 1963 ex.s. c 3 s 38;

- 1 (5) RCW 44.40.040 (Members' allowances--Procedure for payment of
2 committee's expenses) and 2001 c 259 s 7, 1979 c 151 s 157, 1977 ex.s.
3 c 235 s 8, 1975 1st ex.s. c 268 s 3, 1971 ex.s. c 195 s 4, & 1963 ex.s.
4 c 3 s 39;
- 5 (6) RCW 44.40.090 (Delegation of powers and duties to senate and
6 house transportation committees) and 2001 c 259 s 8, 1977 ex.s. c 235
7 s 10, & 1973 1st ex.s. c 210 s 2;
- 8 (7) RCW 44.40.140 (Review of policy on fees imposed on nonpolluting
9 fuels--Report) and 1983 c 212 s 2;
- 10 (8) RCW 44.40.150 (Study--Recommendations for consideration--
11 Staffing) and 1998 c 245 s 88 & 1989 1st ex.s. c 6 s 14;
- 12 (9) RCW 44.40.161 (Audit review of transportation-related agencies)
13 and 2003 c 362 s 16;
- 14 (10) RCW 53.08.350 (Moratorium on runway construction or extension,
15 or initiation of new service--Certain counties affected) and 1992 c 190
16 s 2;
- 17 (11) RCW 44.40.020 (Powers, duties, and studies) and 1996 c 129 s
18 9, 1977 ex.s. c 235 s 5, 1975 1st ex.s. c 268 s 1, & 1963 ex.s. c 3 s
19 36;
- 20 (12) RCW 44.40.070 (State transportation agencies--Comprehensive
21 programs and financial plans) and 1998 c 245 s 87, 1988 c 167 s 10,
22 1979 ex.s. c 192 s 3, 1979 c 158 s 112, 1977 ex.s. c 235 s 9, & 1973
23 1st ex.s. c 201 s 1;
- 24 (13) RCW 44.40.080 (State transportation agencies--Recommended
25 budget--Preparation and presentation--Contents) and 1973 1st ex.s. c
26 201 s 2;
- 27 (14) RCW 44.40.100 (Contracts and programs authorized) and 2001 c
28 259 s 9, 1977 ex.s. c 235 s 11, 1975 1st ex.s. c 268 s 7, & 1973 1st
29 ex.s. c 210 s 3;
- 30 (15) RCW 46.23.040 (Review of agreement by legislative
31 transportation committee) and 1982 c 212 s 4;
- 32 (16) RCW 47.01.145 (Study reports available to legislators upon
33 request) and 1984 c 7 s 76, 1971 ex.s. c 195 s 6, & 1967 ex.s. c 145 s
34 78;
- 35 (17) RCW 47.05.090 (Application of 1993 c 490--Deviations) and 1993
36 c 490 s 6;
- 37 (18) RCW 47.12.360 (Advanced environmental mitigation--Reports) and
38 1997 c 140 s 5; and

1 (19) RCW 47.76.340 (Evaluating program performance) and 1993 c 224
2 s 13 & 1990 c 43 s 8.

3 NEW SECTION. **Sec. 151.** (1) RCW 44.40.120 is recodified as a
4 section in chapter 44.04 RCW.

5 (2) RCW 44.40.025 is recodified as a section in chapter 43.88 RCW.

6 NEW SECTION. **Sec. 152.** This act is necessary for the immediate
7 preservation of the public peace, health, or safety, or support of the
8 state government and its existing public institutions, and takes effect
9 July 1, 2005, except for section 103 of this act which takes effect
10 July 1, 2006.

11 NEW SECTION. **Sec. 153.** Section 146 of this act expires July 1,
12 2013.

13 NEW SECTION. **Sec. 154.** Subheadings used in this act are no part
14 of the law."

15 Correct the title.

EFFECT: Similarities to ESB 5513:

- Governor appoints Secretary as of July 1, 2005.
- LTC repealed.
- Transportation Commission retains toll and fare setting, until further direction given from Legislature.
- Accountability board may directly order performance audits.
- Accountability board may audit local transportation agencies.
- Review of priority programming process and criteria.

Differences from ESB 5513:

- Commission expires July 1, 2006.
- Joint Transportation Committee (JTC) created.
- JTC to study appropriate distribution of Transportation Commission responsibilities.
- TPAB recreated as Transportation Accountability Commission (TAC).
- In addition to performance measure reviews and audits, TAC serves as a public forum for transportation accountability.

--- END ---